Thursday,
30th August, 1956

LOK SABHA DEBATES

VOLUME VI, 1956

(13th August to 8th September, 1956

सत्यमेव जयते

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THIRTEENTH SESSION, 1956

LOK SABHA SECRETARIAT
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LOK SABHA

Thursday, 30th August, 1956

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Recognition of Meritorious Work on Railways

*1534. **Shri Jhulan Sinha:** Will the Minister of **Railways** be pleased to state:

(a) whether the Railways have begun to accord special recognition to cases of exceptional and outstanding work by payment of honoraria, letters of appreciation and medals; and

(b) if so, the number of such cases on each of the regional railways so far?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) We have always been giving awards etc., but we are considering the introduction of uniform rules on all Railways.

(b) A statement is laid on the Table of the House. [*See* Appendix IX, Annexure No. 21.]

Shri Jhulan Sinha: May I know the total expenditure incurred on all these awards?

Shri Shahnawaz Khan: I shall require notice for that; I do not have the information with me at present.

Shri Jhulan Sinha: May I enquire if the attention of the Government has been drawn to the awful state of affairs existing on the NE Railway even though as many as 1115 awards have been given in that Railway?

Mr. Speaker: Has the hon. Minister been able to catch the question?

The Deputy Minister of Railways and Transport (Shri Alagesan): No, Sir.

Mr. Speaker: The hon. Member will kindly speak distinctly and repeat his question.

Shri Jhulan Sinha: How is it that in spite of the large number of awards on the NE Railway numbering 1115 the state of affairs on that Railway still continues to be awfully bad?

Mr. Speaker: In all the Railways in India?

Shri Jhulan Sinha: On the NE Railway.

Mr. Speaker: Any Railway?

Shri Alagesan: On the North-Eastern Railways.

Mr. Speaker: I mistook NE for 'any'

The Minister of Railways and Transport (Shri Lal Bahadur Shastri): Perhaps the hon. Member will not deny the fact that although the position is not very statisfactory on the North-Eastern Railway, it has definitely improved during the last one or two years.

Shri B. S. Murthy: I want to know besides money presents, whether meritorious service is also taken into consideration for higher promotions.

Shri Lal Bahadur Shastri: Yes. We want to do that, but it sometimes creates so much dissatisfaction among the staff that we generally hesitate to do so. although what the hon. Member has said is on principle quite correct and should be done.

Shri Shree Narayan Das: May I know what are the important categories of work for which the awards have been given on the North-Eastern Railway?

Shri Shahnawaz Khan: The awards are given for good work and good work is of many types.

श्री रघुनाथ सिंह : ड्राइवरों या फोरमैनों को एक्सीडेंट्स (दुर्घटनाओं) को रोकने के लिये अब तक कौन कौन से एवार्ड (पुरस्कार) दिये गये हैं ?

श्री शाहनवाज खां : इस वक्त कोई खास केसिज (मामले) मेरे पास मौजूद नहीं हैं, लेकिन मैं आनरेबुल मैम्बर को बता दूं कि जहां पर ड्राइवर या गार्ड बहुत होशियारी से किसी एक्सीडेंट को रोकने के लिये काम करते हैं, उस के लिये उन को मुनासिब इनाम दिया जाता है ।

Shri T. B. Vittal Rao: If any innovation—mechanical—is found out by anyone in the railway staff, is he also given an award under this scheme or does he come under an separate scheme?

Shri Shahnawaz Khan: On each Railway a committee known as the Inventions and Suggestions Committee has been formed. If any of the raillway staff make inventions or make such suggestions which are taken up to the benefit of the Railways, they are given due recognition.

Model Public Health Act

***1536. Shri Krishnacharya Joshi:** Will the Minister of **Health** be pleased to state:

(a) whether State Governments have sent their opinions on the Report on the draft Model Public Health Act; and

(b) if so, the number of States which have agreed?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) Twelve State Governments have so far sent their comments on the Draft Model Public Health Act.

(b) Ten State Governments are in general agreement with the Model Public Health Act. The remaining two have offered no comments.

Shri Krishnacharya Joshi: May I know what steps the Government have taken to expedite the matter, and may I also know how many States have yet to express their views on the subject?

Shrimati Chandrasekhar: We have again sent reminders to the State Governments to send their replies, that is all that we can do to expedite the matter at present.

Shrimati A. Kale: May we know what are the main recommendations of the Model Public Health Act?

Shrimati Chandrasekhar: A copy of the Model Public Health Act is placed in the Library. It is a compact thing and I think it will do good to the Member to go through it and not hear what I would say.

Shri Krishnacharya Joshi: May I know if the reorganisation of States is going to affect the Scheme?

Shrimati Chandrasekhar: If necessary it might, not the scheme as such but the comments and other things of the State Governments may vary if necessary.

Shrimati Tarkeshwari Sinha: May I know whether the Government can give us any idea of the estimated expenditure, if the scheme of public health is fully implemented by the State Governments?

Shrimati Chandrasekhar: Expenditure on what?

Shrimati Tarkeshwari Sinha: On this model public health scheme if it is fully implemented.

The Minister of Health (Rajkumari Amrit Kaur): It is impossible to give the estimated expenditure at this stage.

Shri Raghavaiah: May I know whether Andhra is one among the ten States which have sent their opinions on this Act?

Shrimati Chandrasekhar: We have received no reply from Andhra.

स्टेशन मास्टरों की यूनियन

***१५३७. डा० सत्यवादी** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या स्टेशन मास्टरों व सहायक स्टेशन मास्टरों की यूनियन ने अपने वेतन तथा अन्य आवश्यकताओं के सम्बन्ध में कोई मांगें सरकार के सामने रखी हैं :

(ख) यदि हां, तो ये मांगें, क्या हैं, और

(ग) इन पर क्या कार्यवाही हो रही है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) से (ग). एक बयान सभा पटल पर रख दिया गया है । [**देखिये परिशिष्ट** ६, **अनुबन्ध संख्या** २२].

डा० सत्यवादी : इस बयान में यह कहा गया है कि चूंकि यह मांगें, रेकगनाइज्ड एसोसियेशन (मान्यताप्राप्त संस्थाओं) की तरफ से नहीं रखी गईं, इसलिये उन पर गौर नहीं किया गया । मैं यह पूछना चाहता हूं कि जहां तक इन डिमांड्ज (मांगों) के मैरिट्स (गुणावगुणों) का ताल्लुक है, क्या उन पर गौर किया गया है कि वे कहां तक ठीक हैं ?

रेलवे तथा परिवहन मंत्री (श्री लाल बहादुर शास्त्री) : जी हां, मैरिटस पर गौर हो रहा है, लेकिन . . . . . .

Shri B. S. Murthy: The answer may kindly be given in English.

Shri Lal Bahadur Shastri: The hon Member has enquired whether the demands are being considered on the merits. I said. "Yes". They are being considered on merits.

डा० सत्यवादी : क्या यह ठीक है कि रेलवे गार्डज के लिये यह इजाजत है कि वे स्टेशन-मास्टर्ज की पोस्ट्स (पदों) पर ले लिये जायें, लेकिन स्टेशन-मास्टर्ज को ऐसी इजाजत नहीं है कि वे उस तरफ आ सकें ?

Mr. Speaker: Guards are not included in the categories referred to here. Station Masters and Assistant Station Masters are only mentioned here. Now the hon. Member wants information about Guards.

Shri T. B. Vittal Rao: Station Masters are promoted as Guards.

Mr. Speaker: Very well, one can be promoted as Governor General.

Shri B. S. Murthy: May I know whether the demand for a rise in the basic salary of Station Master and Assistant Station Masters is also being considered sympathetically?

Shri Alagesan: The Minister has already answered that the question is being considered on merits. As the Minister has pointed out in his Budget speech, we are now considering the question of re-distribution of grades and the Stations Masters' category is also a category which we have taken up and are examining.

पहियों के लिये रेलवे ठेका

*१५३६. **श्री रघुनाथ सिंह** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि क्या यह सच है कि ५ हजार पहियों के सेटों का ठेका भारतीय रेलवे विभाग ने किसी ब्रिटिश फर्म को दिया है ?

रेलवे तथा परिवहन मंत्री के सभा-सचिव (श्री शाहनवाज खां) : जी, हां ।

Shri Bhagwat Jha Azad: How was the contract given to this firm? May I know whether any tender was called for the same?

Shri Shahnawaz Khan: The contract was given in accordance with the normal practice prevailing on the Railways. Global tenders were called.

Shri Raghavaiah: May I know the name of the company to which this contract was given?

Shri Shahnawaz Khan: It was given to Messrs. Owen & Dysen Ltd., England.

श्री सिंहासन सिंह : क्या सरकार को मालूम है कि जब कि बाहर से व्हील्ज़ (पहिये) मंगाये जा रहे हैं, एन० ई० रेलवे में हजारों की संख्या में वैगन्ज और गाड़ियां नीलाम कर दी गई हैं, जिन के अच्छे अच्छे व्हील्स काम में लाये जा सकते थे ।

श्री शाहनवाज खां : इस बात पर खास गौर किया जा रहा है और रेलवे बोर्ड ने हिदायत जारी कर दी है कि जहां भी कोई रेलवे वैगन या व्हील्स हों, जो कि काम दे सकें, उन से ज्यादा से ज्यादा काम लिया जाये और कोई भी सर्विसेबल—काम की चीज—को कन्डेम न किया जाय ।

श्री रघुनाथ सिंह : सब से कम टैन्डर कौन-कौन से देश का था ?

श्री शाहनवाज खां : इस बारे में मैं अर्ज करना चाहता हूं कि ३२,००० व्हीलसैट्स की हम को जरूरत थी, जिन में से २०,६०० व्हीलसेट्स का आर्डर जापान की एक फर्म, मैसर्ज सुमीटोमो, जिस का टेंडर सब से कम था, को दिया गया था । ६१०० व्हील-सैट्स का आर्डर इटली की एक फर्म को दिया गया और उन से पूछा गया कि आया वह हमको पांच हजार और दे सकते हैं या नहीं । जब उन्होंने इन्कार किया, तो नैक्स्ट (अगले) टेंडर वाले को आर्डर दे दिया गया ।

Shri Chattopadhyaya: May I know whether we have received any assurance from them that they would keep to the schedule of delivery?

Shri Shahnawaz Khan: Yes, Sir.

Shri Raghavaiah: May I know whether it will be possible......

Mr. Speaker: The hon. sMemb ought not to go on shooting questions unless I call him.

Pilots and Engineers

*1540. **Shri Jaipal Singh:** Will the Minister of **Communications** be pleased to state:

(a) the terms of appointment and absorption of Pilots and Engineers of the nationalised airlines;

(b) the number of Pilots appointed after nationalisation; and

(c) the number of unemployed Commercial Pilots?

The Minister in the Ministry of Communications (Shri Raj Bahadur)

(a) I lay on the Table of the Lok Sabha a statement giving the required information. [*See* Appendix IX, Annexure No. 23].

(b) The Indian Airlines Corporation has recruited 84 pilots since nationalisation and the Air-India International Corporation has recruited 31 pilots.

(c) The number of unemployed Commercial Pilots with current 'B' licences as on the 1st July, 1956 is 17.

Shri Jaipal Singh: I find in the statement no information has been supplied in regard to the Works Managers, Superintendents, Deputy Engineers and Chief Engineers as they exist in the Air-India International. I have been given information only for the I.A.C. and not for the Air-India International. May I know whether Government will supply that information also?

Shri Raj Bahadur: Information about engineers on the Air-India International is also contained in the statement. If it is not there, I will supply it. I think it is there on page 5.

Shri Jaipal Singh *rose*—

Mr. Speaker: The hon. Member will read it and put the question.

Shri Chattopadhyaya: What is the definition of a month for the pilots? How many flying hours constitute a month for them? Are these pilots paid at extra rates when the hours of work are increased? If so, at what rate are they paid?

Shri Raj Bahadur: The maximum number of hours which a pilot can fly in a month is 100; he can not fly beyond that. I will not be able to say it off hand, but it does not exceed 100 hours.

Shri Jaipal Singh: I have read page 5 of the statement; the information I asked for is missing. But the hon. Minister has promised to supply the information. At page 5, there is referece only to Grade I, Grade II and Grade III Engineers. There is no reference whatever to the Chief Engineer, the Deputy Engineer etc.

Shri Raj Bahadur: I will supply the rest of the information.

Shri Jaipal Singh: I find that Air-India International pilots have to undergo periodical technical refresher courses. Why are the Pilots of the I.A.C. not subjected to the same technical refresher courses?

Shri Raj Bahadur: So far as I know under the rules, all pilots have to undergo checkup. refresher coruses.

Shri Chattopadhyaya: My question has not been fully answered. I wanted to know the rates they are paid for extra flying hours.

Shri Raj Bahadur: It is all given in the statement—the rates, salaries, emoulments' allowances etc.

Shri G. S. Singh: In answer to part (c) of the question, the hon. Minister said that there are 17 Commercial Pilots with current 'B' licences who are unemployed. May I know whether Government has any scheme whereby these unemploed pilots are given facilities for flying, so as to enable them to keep their licences current?

Shri Raj Bahadur: It is our earnest endeavour to employ these unemployed pilots as best as we can. As I have already said in reply to part (b) of the question, 84 pilots in the case of the Indian Airlines Corporation & 31 in the case ofAir-India International have been freshly recruited. So far as the question of keeping their licences alive is concerned, it is left to the pilots.

Shri Jaipal Singh: May I know whether there is any co-ordination between the management of the Air-India International and the management of the Indian Airlines Corporation about ensuring that the inflow of fresh recruitment in the Air-India International may come from suitable candidates from the Indian Airlines Corporation also?

The Minister of Communications (Shri Jagjivan Ram): As a matter of fact, most of the recruitment for the Air-India International is from among the pilots of the I.A.C. There is the fullest co-ordination between the two. The Chairman of the two Corporations periodically meet and discuss and try to solve the difficulty as regards the shortage of Commanders in the Air-India International.

Shrimati Renu Chakravartty: Is it a fact that certain South-East Asian countries have requested us to send some experts, pilots etc. and if so, whether any of those wo are yet to find employment have been recommended by Government for jobs outside?

Shri Raj Bahadur: We have given some assistance in that regard to one or two countries, particularly Indonesia. But this does not arise out of this question,

Shri Jaipal Singh: Further to the question of the hon. Member from Bharatpur-Sawai Madhopur to which, I think, a very unsatisfactory answer was given, in view of the fact that Commercial Pilots are liable to be conscripted in a national emergency—and national emergency means that the men that we have should be readily available for emergency at any time—may I know why Government are fighting shy of enabling these pilots, may be there are 17 of them or more, being permanently available to Government, because we do not know when an emergency will arise?

Shri Jagjivan Ram: Perhaps as the hon. Member is aware, our scheme is to absorb for employment in the I.A.C. and the A.I.I. all the pilots with current 'B' licences. But before they are absorbed, they will have to undergo a training for Dakota Endorsement. I presume the hon. Member is aware that we are training pilots with current 'B' licences for Dakota Endorsement at Allahabad. As a result of that, we have been able to train a large number of them and absorb them. I am sure within the next 6 to 8 months, all the remainig pilots with current 'B' licences will be given Dakaota Endorsement and absorbed in the I.A.C. I would like to mention one point here. The consideration which the hon. Member has urged applies more to a mateur pilots than to Commercial Pilots. would urge that the hon. Member should bear that in mind.

Damage on account of Cyclones in West Bengal.

*1541. **Shri N. B. Chowdhury:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total amount of relief given by the Union Government to Midnapur and 24 Parganas District in West Bengal the during the recent cyclones;

(b) the nature of relief given; and

(c) the total amount asked for by the West Bengal Government?

The Minister of Food and Agriculture (Shri A. P. Jain. (a) Nil.

(b) Does not arise.

(c) The West Bengal Government have not so far made any request for financial assistance.

With your permission, Sir, I may add that the West Bengal Government has full authority to spend money on works of approved relief and it can afterwards send the Bill to the Central Government which will reimburse the West Bengal Government to the extent of 50 per cent or 75 per cent as the case may be.

Shri N. B. Chowdhury: In spite of the Central Government bearing 50 or 75 per cent of the expenditure, the relief actually given is far short of the actual needs. May I know whether the Government of India have issued any instructions to the State Government as to the quantum of relief to be given under particular circumstances or can the State Government give relief according to their own standards?

Shri A. P. Jain: The Government of India have issued general instructions giving the items on which expenditure can be incurred. It has also laid down the quantum of assistance from the Centre; but, as to what extent relief is necessary in a particular case depends on the judgement of the State Government.

Shri N. B. Chowdhury: May I know whether in additon to the general scheme of Central assistance, whether the Central Government have offered any special assistance to West Bengal in view of the cyclones?

Shri A. P. Jain: The general scheme is a very comprehensive scheme. It covers a very large number of items and the assistance given by the Government of India is on a generous scale. Besides that, I sent Rs. 15,000 to the West Bengal Government from the People's Famine Relief Trust and the Prime Minister sent Rs. 1 lakh from his relief fund.

Indo-Pak Rail Traffic

*1542. **Sardar Akarpuri:** Will the Minister of **Railways** be pleased to state:

(a) the financial arrangements in respect of the traffic on the rail routes between Pakistan and India;

(b) whether Pakistan has discharged all its financial liabilities in respect of this traffic;

(c) whether it is intended to open the Hindumalkote route for passenger and goods traffic; and

(d) if so, when?

The Deputy Minister of Railways and Transport. (Shri Alagesan): (a) and (b). A statement is laid on the Table of the Lok Sabha [*See* Appendix IX, Annexure No. 24].

(c) and (d). No such proposal is under consideration at present.

Shri Bhagwat Jha Azad: May I know what is the financial liability mentioned in the statemet yet to be realised?

Shri Alagesan : There are claims and counter-claims that have been pending for a long time. So I am unable to give the exact figure.

Shri Bhagwat Jha Azad : Has any assurance been given by the Pakistan Government regarding its payment within reasonable time?

Shri Alagesan : The main difficulty in this connection has arisen because of the devaluation of the rupee. When we devalued our rupee, Pakistan did not devalue its rupee. As a result there was very much inflation in the claims made by Pakistan which we are got prepared to accept. These things are still under consideration and negotiation.

रेलवे डिवीजन

*१५४३. **श्री प० ल० बारूपाल :** क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या बीकानेर डिवीजन के भूतपूर्व बी० के० एस० रेलवे कर्मचारियों की वरिष्ठता और तरक्की के बारे में रेलवे मंत्रालय द्वारा बनाये गये नियम रेलों के मिलाये जाने और पुनर्वर्गीकरण से पहले की भूतपूर्व बी० के० एस० रेलवे प्रणाली में चल रहे तरक्की के नियमों के अनुसार बनाये जा चुके हैं; और

(ख) यदि हां, तो क्या भूतपूर्व बी० के० एस० रेलवे के कर्मचारियों ने इस प्रकार के बनाये गये नियमों के विरोध म अभ्यावेदन भेजे हैं, और यदि हां, तो यह मामला किस स्थिति में है ?

रेलवे तथा परिवहन मन्त्री के सभा-सचिव (श्री शाहनवाज खां) : (क) जी, नहीं। रेलवे बोर्ड के बनाय हुए नियम सभी पुनर्गठित रेलों के कर्मचारियों पर समान रूप से लागू होते हैं।

(ख) कोई अर्जी नहीं आई है।

श्री प० ला० बारूपाल : क्या माननीय रेलवे मंत्री को मालूम है कि सरकारी दफ्तरों में जो प्रान्तीयता और जातीयता का स्थान लिया जाता है उसी कारण से बीकानेर डिवीजन के भूतपूर्व बी० के० एस० रेलवे कर्मचारियों की समस्या हल नहीं होती है ?

श्री शाहनवाज खां : इस की हमें कोई खबर नहीं है

श्री प० ल० बारूपाल : आप इस की जांच कीजिये।

Mr. Speaker : Let it be enquired into.

Shri Ramachandra Reddi: May I know whether any special privileges and special consideration have been shown to the States railway officers over the head of the ex-Government railway servants, affecting the latters interests in the matter of promotion?

Shri Shahnawaz Khan : No special privileges have been given to any category. At the time of regrouping six seniority committees were appointed, one for each railway, and they were asked to report on the most equitable method of adjusting seniority and they consulted the Federation of All India Railwaymen. With their consent instructions were issued to the General Managers of our railways. That is the position.

Shri Ramchandra Reddi : May I know whether the recommendations of that board have been adhered to or whether Government took their own decision over the recommendations of the board ?

Shri Shahnawaz Khan : In order to bring the situation on a uniform basis on our railways, the Railway Board issued similar instructions to all the railways and those instructions are being followed. After the issue of the instructions, certain anomalies were reported by some railways. In such cases, the General Managers were authorised by the Railway Board to take steps in order to eliminate those anomalies and they have done so.

Shri Ramachandra Reddi : My question was a very direct one. I want to know whether the recommendations of that special committee have been adhered to by the Government or whether Government came to their own decision over the head of the recommendations of the committee.

The Deputy Minister of Railways and Transport (Shri Alagesan) : Perhaps the hon. Member has got a different thing in mind. With reference to the fixation of seniority of officers, a certain committee went into the question. It consisted of the Member of the Board concerned with staff matters, the Home Secretary etc. Then certain modifications were made.

Shri Ramachandra Reddi : May I know whether *ex*-Government railway servants have made further representations to the Government and whether those representations have been disposed of and, if so, in what way?

The Minister of Railways and Transport (Shri Lal Bahadur Shastri) : Certain representations were made some time back. But since we have taken the final decision, we have not received any representation.

Family Planning

*1544. **Shri Gidwani** : Will the Minister of **Health** be pleased to state :

(a) the progress and programme evolved by Family Planning Grants Committee;

(b) the new centres proposed to be opened for family planning, State-wise;

(c) the steps taken and proposed to be taken to train medical men and others in this branch;

(d) the steps or schemes for manufacturing contraceptives; and

(e) the impressions of her recent tour to U.S.A. and Japan with particular reference to the tackling of the population problem?

The Deputy Minister of Health (Shrimati Chandrasekhar) : (a) A statement giving the required information is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 25].

(b) It is proposed to open 2000 family Planning Centres in rural areas and 500 in urban areas during the Second Five-Year Plan. The State-wise distribution of these Centres has not yet been decided.

(c) The setting-up of an All India Training Centre for imparting training to social workers, doctors, health visitors and nurses etc. has been approved. Necessary steps are being taken to establish this Centre at Bombay at an early date. As an interim measure, short term courses are being arranged in different places under a special officer appointed for this purpose. A 3-week training course was arranged at Delhi from 6-7-1956 where 32 candidates were given training.

(d) No scheme for the manufacture of mechanical contraceptives is under the consideration of the Government of India.

(e) There is no population problem in the U.S.A.

In Japan it is acute and the Government of that country are tackling it in various ways.

Shri Gidwani : After the Health Minister's return from Tokyo it was stated that Japan was making very encouraging progress with the family planning movement and their schemes were successful. May I know what the position is?

The Minister of Health (Rajkumari Amrit Kaur) : I was able to visit some of the centres in particular in the rural areas. They have been carrying on this work for the last eight years and they certainly have achieved success inasmuch as they have made the people family-planning conscious and no one wants to have more than three children at the most. Those were the answers given to me. They have been planning in various ways and they have legalised abortion. That is the first step they took. They are now regretting that step and are resorting to mechanical and chemical contraceptives and health education including the rhythm method as well as cheap chemical contraceptives.

Shri Gidwani : May I know whether any wing for the evaluation of contraceptives has been set up in the Indian Research Centre and some researches have been initiated and if so, what is the result?

Rajkumari Amrit Kaur : It is too early to give any results. But what they have put up is now being tested.

Shri Bansal : May I know whether like Japan which has provided facilities in some of their clinics for voluntary sterilisation of those persons who want to get themselves sterilised, the Government of India are also making that as a part of their family planning scheme?

Mr. Speaker : Are we going into the details of the methods, mechanical or chemical or just sterilisation? I do not know where we will end if we do that. I request the hon. Minister to issue a small pamphlet for the benefit of the Members of Parliament. I agree that it is an important matter. But so far as any technical subject is concerned all that we can ask is whether sufficient provision is made. When we discuss about hospital do we go into whether this mixture is there or that mixture is there? We do not go into further details. Under these circumstances, we need not go into whether it is mechanical, chemical or sterilisation. I will proceed to the next question.

Shri Raghavaiah : On a point of information......

Mr. Speaker : No more supplementaries.

Shri Chattopadhyaya : The last question is only a misconception of the question..............

Shri Bansal : It is a question of great importance.

Mr. Speaker : The policy has already been decided and implemented and that is why they are going to open these thousand and odd centres here for the purpose of giving relief to those who need it.

Kandla Port

*1545. **Shri Gidwani** : Will the Minister of **Transport** be pleased to state:

(a) whether it is a fact that the plans for constructing two more berths at Kandla Port have been submitted to the Government of India; and

(b) if so, whether Government have sanctioned the Scheme?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) Yes.

(b) The matter is under consideration.

Shri Gidwani : When will the matter be decided?

Shri Alagesan : It would be decided soon.

Shri Gidwani : Are the Government aware that the block-pilling machine will remain idle and will be dismantled which will result in loss to the Government?

Shri Alagesan : That is one of the considerations why they want to undertake the construction of two berths now. The present contractors have the necessary machinery for the work. If they are dismantled and taken away, the cost of that operation is bound to go up.

Shri B. S. Murthy : May I know if these berths will be functioning for ocean-going steamers?

Shri Alagesan : Yes.

Shri Velayudhan : May I know whether this port was given top priority by the Government with a view to have a single great port for Maha Gujerat?

Shri Alagesan : I could not follow.

Shri Velayudhan : I want an answer.

Mr. Speaker : But, I must understand the question.

Shri Velayuudhan: I want to know whether the progress made by this Kandla port is not very slow. It was earlier given top priority with a view to have a big port for Maha Gujerat as mentioned by the late Sardar Patel.

Mr. Speaker : What is the question?

Shri Velayudhan : The progress is slow.

Shri Alagesan : The question of Maha Gujerat does not come in.

Mr. Speaker : It has been unnecessarily linked with that. The hon. Member wants to know whether the speed has been slackened.

Shri Alagesan : The work has been progressing very satisfactorily. Two of the four berths are likely to be opened in October.

Shri Bhagwat Zha Azad : If the scheme as sanctioned is finalised, what would be the financial implication?

Shri Alagesan : There is an abstract estimate of Rs. 330 lakhs. That is under consideration.

बामन्या स्टेशन

*१५५२. **श्री अमर सिंह डामर** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या रेलवे मंत्री को जब वह बांसवाड़ा-रतलाम लाइन की सर्वे का उद्घाटन करने गये थे तो वहां के स्थानीय लोगों द्वारा कोई ज्ञापन पेश किया गया था; और

(ख) यदि हां, तो क्या सरकार बामन्या स्टेशन की, इस के महत्व को विशेष रूप से देखते हुए, मांगों को पूरा करना चाहती है ?

रेलवे तथा परिवहन मंत्री के सभासचिव (श्री शाहनवाज खां) : (क) तथा (ख). जी हां, रेल का इस्तेमाल करने वालों के लिये बामन्या स्टेशन पर सुविधायें देने के सम्बन्ध में कुछ मांगें रखी गई थीं । जहां तक हो सकेगा इन्हें पूरा किया जायेगा ।

श्री अमर सिंह डामर : क्या मैं जान सकता हूं कि उन मांगों में से एक मांग वहां पर एक वेटिंग रूम बनाने की भी थी ?

श्री शाह नवाज खां : उन मांगों में तो वेटिंग रूम की मांग शामिल नहीं थी, लेकिन अब आप करना चाहें तो आप को इजाजत है ।

Shipping

*1553. **Shri Matthen** : Will the Minister of **Transport** be pleased to lay a statement on the Table showing :

(a) the total tonnage of cargo carried by Indian sailing vessels during 1951-52, 1952-53 1953-54 and 1954-55 ;

(b) the total tonnage of cargo carried in foreign vessels during the same period;

(c) the total freight paid by Indian to foreign ships for the carriage of Indian cargo; and

(d) the efforts made by Government to increase the carriage of cargo from India in Indian ships?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) to (d). A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 26].

Shri Matthen : In the statement, it is said about foreign sailing vessels. The question is, what is the total tonnage of cargo carried in foreign vessels during the same period. I do not know what justification there is for referring to sailing vessels. Will the Government please say what is the approximate freight paid during these five years?

Shri Alagesan : That is one of the questions : total freight paid by India to foreign ships. That information is not available. That is found in the statement. I do not have the information.

Shri Matthen : May I know the approximate amount ?

Shri Alagesan : I may give an indication that India at present is able to carry only five to six percent of her overseas trade in her own vessels. The rest are carried by ships belonging to other countries.

Shri Matthen : The world tonnage now stands about 100 million tons, that is 50 per cent. of the pre-war tonnage. India's tonnage is 0·5 per cent. Will the hon- Minister make all-out efforts to acquire more ships so that we may carry our own steel etc.?

Mr. Speaker : These are all suggestions or action.

Shrimati Renu Chakravartty : The hon. Deputy Minister said that he does not know what is the total freight paid by India to the foreign ships. On what basis has target in the Second Five-Year Plan regarding shipping been fixed : on the basis of the financial implication of how much foreign exchange we will be saving or only from the technical aspect?

Shri Alagesan : Our object is to carry at least 50 per cent of India's trade in our ships and we are progressing towards that. We have not progressed far. The efforts made during the First Plan period are before the House. What we hope during the Second Plan period is that we should carry atleast 10 to 12 per cent. of our overseas trade. Provision has been made for that, subject to financial considerations.

Shrimati Renu Chakravartty : My question was what was the basis. We know the targets.

Mr. Speaker : This was a different basis : not foreign exchange or freight. The hon. Minister says 50 per cent. not any other basis. That is what I understand from the hon. Minister.

Shri Raghavaiah : May I know whether the information given in big business journals like *'Capital'* and *'Commerce'* that the Government of India has been paying Rs. 70 to 90 crores per year during the last five years to the foreign companies on freight charges is correct, and may I also know whether we are going to be self-sufficient so far as shipping is concerned in another two or three Five-Year Plans?

Shri Alagesan : I have not seen that particular magazine. The estimate that has been given there may be approximately correct. We are spending huge amounts on our shipping freights. They certainly go to foreign countries.

Mr. Speaker : The hon. Member asked whether we will be building up the 50 per cent. in two or three Plans?

Shri Alagesan : Our target is already 2 million tons. By the end of the Second Plan, we will have 9 lakh tons. By the end of the third Plan, we propose to have 2 million tons.

Shri Raghavaiah : May I know whether the Government is aware that our total demand will increase in shipping space as a result of development in our country and whether the Government has taken into consideration this developmental work in estimates about shipping?

Shri Alagesan : Of course, that is taken into consideration.

Mr. Speaker : Whatever suggests to the hon. Member must also suggest itself to the Government.

Shri Matthen : Is my information correct that during the first Plan period Government was able to add only two ships of 14,433 tons to their shipping : Government, not in the private sector?

Shri Alagesan : I do not think that information is correct. We wanted to take the tonnage to 6 lakh tons. We have almost succeeded in it. We had 480,000 tons at the end of the First Five-Year Plan. There were orders pending. We would be getting the rest of the tonnage in the course of this year. We have almost reached the target.

Mr. Speaker : Next question.

Shri Matthen : One more question Sir.

Mr. Speaker : The hon. Member has been given sufficient opportunities to put supplementary questions.

Barbolganj-Baharaich Line

***1558. Shri Sinhasan Singh :** Will the Minister of **Railways** be pleased to refer to his statement in Budget speech that survey for construction of Railway line from Barbolganj (in Gorakhpur District) to Baharaich will be made and state whether and if so, when the survey work will begin?

The Parliamentary Secretary to the Minister of Railway and Transport (Shri Shahnawaz Khan) : No such statement was made in the Budget speech. The proposal, has, however, been noted and will be considered if and when more funds become available for the construction of new lines during the Plan period.

श्री सिंहासन सिंह : अगर बजट स्पीच में नहीं तो माननीय मंत्री जी ने बजट पर हुई बहस का उत्तर देते हुए यह कहा था कि बारबोलगंज और बैहराइच के बीच रेलवे लाइन बिछाने के लिये सर्वे किया जायेगा? मैं जानना चाहता हूं कि कब तक यह काम शुरू होगा ?

Mr. Speaker : The hon. Member is referring to another speech.

Shri Sinhasan Singh : He has said no reference was made in the Budget speech.

Mr. Speaker : Then where is the reference?

Shri Sinhasan Singh : While replying to the debate he said so.

Mr. Speaker : That is all right.

रेलवे तथा परिवहन मंत्री (श्री लाल बहादुर शास्त्री) : बजट स्पीच में इस का कोई जिक्र नहीं था। माननीय सदस्य वकील हैं और वह समझ सकते हैं कि बजट स्पीच में और बजट रिप्लाई में क्या फर्क है। जो जवाब दिया गया था उस में कुछ कहा गया था।

श्री सिंहासन सिंह : इस अन्तर से क्या परिणाम में फर्क पड़ जाता है ? मैं जानना चाहता हूं कि सर्वे करने का काम कब शुरू होगा ?

श्री लाल बहादुर शास्त्री : माननीय सदस्य को मालूम है कि कब काम शुरू होगा लेकिन आप मुझ से बार बार कहलवाना चाहते हैं। ख्याल है कि सर्वे का काम कुछ ही महीनों में हम शुरू कर सकेंगे।

श्रीमती कमलेंदुमति शाह : हाल ही में यू० पी० के किन-किन स्थानों में रेलवे लाइन का सर्वेक्षण किया गया है तथा उन स्थानों के नाम क्या हैं ?

अध्यक्ष महोदय : इस के लिये अलग से प्रश्न पूछिये।

Cargo

***1559. Shri Matthen :** Will the Minister of **Transport** be pleased to state :

(a) the quantity of cargo in dead weight tons imported on account of the Government of India and the different States and by the Companies and Corporations under the State and Central Governments during 1950-51 and the total amount of freight paid for the cargo thus imported;

(b) the quantity of cargo carried by ships chartered by Indians in the coastal trade of India during 1950—55 and the freight earned thereon, compared with the charter hire paid by Indians for the charter; and

(c) the tonnage owned by India at the beginning and at the end of the First Five-Year Plan ?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) Statistics are available in respect of cargo imported or exported under the ownership and/or control of the Central and State Governments during the years 1951 and 1952 only. A statement giving this information is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 27]. Similar information in regard to subsequent years is being collected.

(b) A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 27].

(c) 3,90,000 GRT and 4,80,000 GRT respectively.

Shri Matthen : In view of the increase in coastal trade, is it the policy of Government to encourage the chartering of vessels for coastal traffic?

Shri Alagesan : Chartering has been been permitted under certain conditions to the coastal shipping compaines.

Shri Chattopadhyaya : May I know whether we are going to have yet another shipping yard during the Second Plan period in order to increase tonnage?

Shri Alagesan : The other day the minister for Production answered this question and said that he is considering this question.

Shri Raghavaiah : May I know whether we are paying a greater portion, that is 70 to 80 per cent of the freight charges to the United Kingdom only?

Mr. Speaker : The question deals with quantity of cargo. Freight is not there at all.

Shri Alagesan : I do not have the figure'

Mr. Speaker : The hon. Minister has not got the details, the break-up of the Rs. 90 crores or so that is spent on freight.

Shri Raghavaiah : My question is very simple. Of the total freight charges that we are paying in our import-export trade, may I know whether the major amount is being given to the United Kingdom?

Shri Alagesan : May be.

Mr. Speaker : He wanted to know at first if it was 70 to 80 per cent.

Shri Velayudhan: In view of the shorttage in shipping facilities, is there any proposal with the Government to lease out ships from countries with which they are available or our foreign and coastal trade?

Shri Alagesan : We have no information as to who is prepared to lease out ships. Of course, the overseas and coastal shipping companies, when the market conditions are favourable, charter other ships for their purposes.

Shri B. S. Murthy : May I know whether besides the United Kingdom any other country is coming forward to give us shipping facilities at a lower rate ?

Shri Alagesan : I could not follow the hon. Member. What does he mean by shipping facilities at a lower rate?

Mr. Speaker : Countries that charge lower freight rates in comparison with rates charged by other countries in the world.

Shri Alagesan : If that is the hon. Member's question, the rates are fixed by conferences and they uniformly apply to the respective routes.

श्री रघुनाथ सिंह : स्वेज नहर के राष्ट्रीयकरण का भारतीय शिपिंग पर क्या असर होगा , क्या आपने इस पर भी विचार किया है ?

रेलवे तथा परिवहन मंत्री (श्री लाल बहादुर शास्त्री) : यह तो बड़ा नाजुक सवाल है । इसका फैसला होगा, यह हमें पता नहीं है । लेकिन कोई डर नहीं है कि हमारा कोई नुकसान होने वाला है ।

Salumber (Telegraph Facility)

***1560. Shri Balwant Sinha Mehta** : Will the Minister of **Communications** be pleased to state :

(a) whether it is a fact that Salumber is a sub-divisional headquarter having no telegraph and telephone facilities;

(b) whether Government propose to expedite the work of providing such facilities there ; and

(c) if so, when they are expected to be completed and come into operation?

The Minister in the ministry of Communications (Shri Raj Bahadur) : (a) Yes.

(b) and (c). Proposals for providing telegraph and telephone facilities at Salumber are under examination.

Shri Balwant Sinha Mehta : When was this proposal made and how long has this been pending?

Shri Raj Bahadur : We 'are informed salumber has been declared as sub-divisional headquarters as late as July 1956. Before that it was a Tehsil headquarter only. So, the question of provision of a telephone office or public call office did not arise before. We are now examining and shall try to give the facility as early as possible.

P. & T. Building Construction

***1561. Shri S. C. Samanta** : Will the Minister of **Communications** be pleased to refer to the speech delivered by the Deputy Minister of Communications in the House on 11th March, 1955 on the Resolution for the Separation of P. & T. Finance and state:

(a) which of the various processes and procedural stages as regards building construction in the Posts and Telegraphs Department have been cut down ;

(b) how many office and accommodation buildings have been constructed up-to-date since the 11th March, 1955;

(c) how many of them were built by the Department and how many by the C.P.W.D. ; and

(d) up to how much amount the Divisional Engineers and Departmental officers have been delegated powers of sanction for building purposes?

The Minister in the Ministry of Communications (Shri Raj Bahadur) : (a) to (d). A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 28].

Shri S. C. Samanta : In reply to part (b) of the question the hon. Minister says 887 units of quarters were constructed during the period 1-4-1955 to 31--3-1956. May I know what was the target for the year 1955-56?

Shri Raj Bahadur : I will require notice for that.

Shri S. C. Samanta : With the appointment of an additional Chief Engineer and a high level committee, may I know how the work is being proceeded with?

Shri Raj Bahadur : This was done because it will provide for better control. As a matter of fact, the unit in the C.P.W.D. under the additional Chief Engineer will be responsible now for the progress of the work, and there will be only one person who will be responsible for that. It provides for a specific unit in the C.P.W.D. for P. & T. itself.

Shri S. C. Samanta : The hon. Minister says in the statement that practically the entire construction work in 1955-56 was done by the C.P.W.D. May I deduce that no departmental work was done? If something was done, how much was it?

Shri Raj Bahadur : The power to construct on a departmental basis is for very small works, and the major works like construction of quarters and buildings for post offices and other postal and Telegraph buildings are all done through the agency of the C.P.W.D. That is why the answer is like that.

Payment of Wages Act

*1563. **Shri K. P. Tripathi** : Will the Minister of **Labour** be pleased to state :

(a) whether as reported in the "Indian Worker" of the 23rd July, 1956 the Bombay High Court in a full Bench decision has decided that the Payment of Wages Act does not apply to Railways; and

(b) if so, the steps Government propose to take to restore protection to railway workers?

The Deputy Minister of Labour (Shri Abid Ali) : (a) and (b). The judgement in the particular case does not imply that the Payment of Wages Act as such does not apply to Railway Employees.

Shri K. P. Tripathi : May I know if it is a fact that the effect of the judgement will be that Railway workers will not get the benefit of the Payment of Wages Act, and if so, whether Government want to take any step in the matter?

Shri Abid Ali : The applicability of the Payment of Wages Act to employees remains in tact. The judgement does not change the position because this particular judgement relates to an employee who was suspended and during the suspension period he was paid subsistence allowance. For that period he was governed by the service conditions of the railway organisation and not by the Payment of Wages Act. Therefore, the position is not changed.

Shri T. B. Vittal Rao : At what stage is the proposal to introduce an amending Bill in respect of the Payment of Wages Act because we were given an assurance some six or seven months ago?

Shri Abid Ali : Sufficiently advanced stage.

Shri Nambiar : May I know whether the Government are aware that there was a decision of the Bombay High Court saying that cuts in increment should not be allowed under the Payment of Wages Act? If so what steps has the Government taken?

Mr. Speaker : Are we going generally into the Payment of Wages Act or in so far as it applies to the railways? The question is : "whether as reported in the *Indian Worker* of the 23rd July, 1956 the Bombay High Court in a full Bench decision has decided that the Payment of Wages Act does not apply to Railways;

(b) if so, the steps Government propose to take to restore protection to railway workers?"

Does this question concern only the railways, or is it a general question?

Shri Nambiar : It relates to the railways?

Shri Abid Ali : For other cases, we are considering the bringing in of some amendments, when the amending Bill will be introduced here.

Compensatory Allowance to P. & T. Employees

*1564. **Shri Hem Raj:** Will the Minister of **Communications** be pleased to state :

(a) whether any decision has been taken for the payment of compensatory allowance to the Post and Telegraph Employees at Paprola and Baijnath; and

(b) If so, what ?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) and (b). Compensatory allowance is granted at hill stations declared as such by State Government because of expensiveness of living. Paprola and Baijnath are not included in the list in question. State Government have been requested to indicate whether these two places justify being brought on the list.

श्री हेम राज : पपरौला और बैजनाथ, जो कि जोगेन्द्रनगर और पालमपुर के दरमियान वाकया हैं, में राज्य सरकार के कोई कर्मचारी काम नहीं करते हैं । क्या वहां पर और ऐसी दूसरी जगहों पर केन्द्रीय सरकार अपने कर्मचारियों को कम्पेन्सेटरी एलाउन्स देने के बारे में तहकीकात करेगी ?

श्री राज बहादुर : हम ने पंजाब गवर्नमेंट से पूछा है कि क्या वह उन जगहों को उस कैटेगरी में लाना चाहती है, जिनको यह एलाउन्स मिलता है । उसका जवाब आने पर उसके मुताबिक काम किया जायेगा ।

Wage Boards

*1566. **Shri T. B. Vittal Rao.** Will the Minister of **Labour** be pleased to state :

(a) the industry or industries where action has been initiated for the collection of data with a view to determine the constitution of "Wage-Boards" later ; and

(b) the period likely to be taken to finalise the collection of data?

The Deputy Minister of Labour (Shri Abid Ali): (a) and (b). The State Governments concerned are being consulted as to the industries for which Wage Boards should be constituted and the authorities concerned have been instructed set up arrangements for collecting data for various industries some of which may be selected for the setting up of Wage Boards I regret, at present, it is not possible for me to give an estimate of the period likely to be taken in finalizing the collection of data.

Shri T. B. Vittal Rao: May I know the industry or industries for which these statistics are being collected at the moment.

Shri Abid Ali: Some of the industries which have been included in the provident fund scheme.

Shri T. B. Vittal Rao: May I know whether the wage boards that are going to be constituted will be constituted simultaneously for all the industries, or as soon as the collection of data is completed?

Shri Abid Ali: The collection of data will continue, and when it is sufficiently advanced, the wage boards will be constituted.

Shri K. P. Tripathi: May I know whether the wage boards which will be constituted will include those for which separate provisions have been made, apart from the provident fund created by the Act of the Government of India?

Shri Abid Ali: Likely.

Shri Velayudhan: May I know whether the employers are showing delay in giving out the details regarding the data that Government will have to collect, and if so, whether this is responsible for the delay in the constitution of these wage boards, and if so, what action Government intend to take in this matter to quicken the pace of collection of data?

Shri Abid Ali: I fail to understand from where the hon. Member has got this information. The study itself has not yet started. Where is the question of not giving information?

Mr. Speaker: The Minister did not say that there was delay. What is the meaning of just gathering a question from some slip and putting it?

Shri Velayudhan: He said that the collection of data will be delayed.

Mr. Speaker: Why should the hon. Member just rush off from that to the question that the employers are not giving the data?

Shri Velayudhan: Of course, the data will have to be collected through them.

Mr. Speaker: So, the hon. Membe does not study it in advance. He picks up some answer here, and from that draws a conclusion and then puts a question.

Shri Velayudhan : On a point of information. The wage boards will have to deal with question relating to wages, gratuity and so on. So, all these data have to be obtained.

Mr. Speaker : Any question can be in a general form. Hon. Members will see that there are as many as 53 questions in today's list of starred questions?

Shri Abid Ali : May I read out what I had stated?

Mr. Speaker : He need not read.

What I am submitting for the consideration of the House is this. Hon. Members take pains and then submit questions. There are quite a number of them on the list, waiting to be called. In between, some other hon. Members who have not tabled questions catch hold of those questions and go on putting supplementary after supplementary, not allowing those hon. Members, who have put in some labour and taken some pains, to reach their questions altogether.

I ask hon. Members to judge whether I ought not to curtail the supplementary questions and allow the other questions also to be put, with one or two supplementaries here and there. That is what I am going to propose.

Now, next question.

Shri Velayudhan : We also study these vuestions, and then only put questions. Otherwise, what is the use of putting questions on the list ?

Mr. Speaker : Preference must be given oo those hon. Members who table questions.

Shri Ragavaiah : When a question is tabled, it becomes the property of the House and every Member studies it and is in possession of it.

कोयला खान मजदूरों के क्वार्टर

***१५६७. श्री खू० चं० सोधिया :** क्या श्रम मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान प्राक्कलन समिति की इस सिफारिश की ओर आकर्षित किया गया है कि इस विषय में जांच की जानी चाहिये कि कोयला खानों के कर्मचारियों और मजदूरों के आवास उन के काम के स्थानों से बहुत दूर बनाये गये ह;

(ख) यदि हां, तो क्या इस सम्बन्ध में अब तक कोई कार्यवाही की जा चुकी है; और

(ग) यदि हां, तो उस के क्या परिणाम हैं ?

श्रम उपमंत्री (श्री आबिद अली) : (क) जी हां ।

(ख) तथा (ग). यह निश्चय किया गया है कि कोयला खान श्रम कल्याण संस्था द्वारा जी मकान बनाये जायें वे कार्य-क्षेत्रों के नजदीक हों ।

श्री खू० चं० सोधिया : कौन कौन से स्थानों के बारे में एस्टीमेट्स कमेटी ने इस किस्म का एतराज किया था ?

श्री आबिद अली : कोई खास स्थान के बारे में तो जिक्र नहीं था । जहां तक मेरा ख्याल है कि उन्होंने यह लिखा था कि कहीं कहीं मकान काम की जगह से दूर बनाये जाते हैं, और कोशिश की जाये कि नजदीक बनाये जायें, और वैसा ही किया जा रहा है ।

श्री खू० चं० सोधिया : उन्हों ने कहा था कि इस के बारे में जांच पड़ताल की जाये । क्या आप जांच पड़ताल कर रहे हैं ?

श्री आबिद अली : जो मकान बन गये वे तो बन ही गये । आयन्दा के लिये हम ने उन की सिफारिश पूरे तौर से मंजूर कर ली है, इसलिये जांच का सवाल ही पैदा नहीं होता ।

Shri Ramachandra Reddi : May I know the total cost involved in these constructions, and whether any of these buildings are fully or partly occupied, and whether any transport arrangements are being made from the quarters to the mines?

Shri Abid Ali : In which area?

Shri Ramachandra Reddi : In general from the quarters to the mines.

Shri Abid Ali : I have already stated in the main answer that the Houses will be constructed as far as possible nearest the work-site. Then, the question of transport would not arise.

डा० राम सुभग सिंह : कई एक स्थानों में मजदूरों के लिये क्वार्टर्स बने हैं लेकिन मजदूर उन में नहीं रह रहे हैं । क्या उन क्वार्टर्स से काम की जगह तक के लिये कोई बस सर्विस

का प्रबन्ध किया जा रहा है ताकि वे मजदूर जो उन मकानों में रहें सुविधापूर्वक अपने काम पर जा सकें ?

श्री आबिद अली : भली में कुछ मकान खाली हैं। वहां पर तरीका यह है कि ६ रुपये मालिक दें और २ रुपये मजदूर दें, लेकिन अगर मालिक मजदूरों के वहां से आने जाने के लिये ट्रांसपोट का इन्तिजाम कर दें तो उन को ६ रुपया नहीं देना पड़ेगा, यह उन को बतला दिया गया है। कुछ मकानों में लोग आ गये हैं और जो मकान खाली हैं और नहीं भरे जा सकते हैं, उन के बारे में यह विचार किया जा रहा है कि उन को रिहैबिलिटेशन मिनिस्ट्री या रेलवे मिनिस्ट्री के जिम्मे कर दिया जाये ।

Shri P. C. Bose : Is it not a fact that the labourers prefer to remain at Bhali, although it is a little away from the collieries, but they want transport facilities.

Shri Abid Ali : That is exactly what I have been replying to. It is because of this difficulty that the employers have been informed that they need not pay Rs. 6 of rent, if they arrange for the transport of the workers.

Loans for House-building

*1568. **Dr. Ram Subhag Singh** : Will the Minister of **Railways** be pleased to state :

(a) whether Government have revived the scheme, discontinued in 1937, to advance house-building loans to railway employees ;

(b) if so, whether all railwaymen will be covered by this scheme ; and

(c) the maximum amount which may be advanced as loan under this scheme to a railway employee ?

The Deputy Minister of Railways (Shri Alagesan) : (a) yes.

(b) and (c). A statement is laid on the Table of the House [*See* Appendix IX, annexure No. 29].

Dr. Ram Subhag Singh : From the statement I find that applications for the grant of house-building loans will be entertained only from railway employees who are having a plot of land. May I know why this discrimination is made in favour of persons who are having land?

Shri Alagesan : One condition is that they should be permanent. Another is that they should be in possession of a plot of land, so that the construction of the house is facilitated. Then, advance is given for the purpose of extending the houses that the employees may happen to own.

Dr. Ram Subhag Singh : May I know why the cases of persons not having land are not considered?

Shri Alagesan : We can expand the Scheme. This was discontinued in 1937. Now, this has again been brought into force. Provided funds are available, we can consider further relaxation.

WRITTEN ANSWERS TO QUESTIONS

Over-crowding in Railways

*1533. **Shri Dabhi** : Will the Minister of **Railways** be pleased to state:

(a) whether it is a fact that on 20th May, 1956 two passengers travelling in an excessively over-crowded train fell down therefrom at Adas Station (Western Railway) and died;

(b) if so, whether these passengers were clinging to the doors of the carriage in which they were travelling;

(c) the reasons why they were not stopped from travelling by clinging to the doors of the carriage;

(d) whether many passengers in that train were travelling on the footboards and on the roofs of carriages and by clinging to the doors of the carriages; and

(e) the steps Government have since taken to put an end to the above state of affairs?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan) : (a) and (b). Yes.

(c) Passengers found travelling on footboards were duly warned. It is, however, not practicable to prevent such travel altogether during the entire run of the train.

(d) Some passengers were travelling on the footboards by clinging to the doors, but none on roofs of carriages.

(e) Steps which were previously taken and continue to be taken include :

(i) Warning Passengers against footboard and roof travel by means of loud-speaker announcements and by display of posters ;

(*ii*) Prosecutions, wherever feasible;

(*iii*) Strengthening of trains and running additional trains subject to the availaability of rolling stock and line capacity.

Bridge across Gandak

***1535. Pandit D. N. Tiwary :** Will the Minister of **Railways** be pleased to state:

(a) whether the Government of Bihar has agreed to join and share in the construction of rail-*cum*-road bridge between Sonepur and Hajipur (N.E.) over Gandak river; and

(b) stage at which the proposal of construction of new bridge over Gandak between Sonepur and Hajipur is?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan) : (a) No, Sir.

(b) Abstract Estimate amounting to Rs. 1,93,12,365/- for the construction of the new Railway bridge has been sanctioned and tenders for the steel work invited.

Foreign Free Gifts

***1538. Shri Bheekha Bhai :** Will the Minister of **Food and Agriculture** be pleased to refer to the answer given to Starred Question No. 2576 on the 28th May, 1956 and state:

(a) whether Government intend to revoke the Indo-U.S. Agreement, 1951 in respect of butter, butter oil, etc. which are being received as free gifts; and

(b) if not, whether Government propose to revise the list of receiving agencies?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) No, Sir.

(b) No. But this subject is considered from time to time.

Soil Erosion

***1546. Shri Sanganna :** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Starred Question No. 2468 on 23rd May, 1956 regarding soil erosion and state:

(a) whether the schemes relating to Hirakud and Machkund in Orissa have since been incorporated; and

(b) if so, how the schemes of afforestation and reclamation of land are reconciled with the intensive food production schemes in the State concerned.

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) Yes. For Hirakud a pilot project has been approved and a subsidy of Rs. 181,424 has been sanctioned for tackling an area of 5,000 acres in the river catchment.

For Machkund, schemes received from the Governments of Andhra and Orissa have been approved and a subsidy of Rs. 900,518 is expected to be sanctioned shortly for the two schemes.

(b) Afforestation and reclamation measures are meant for preventing loss of agricultural land as a result of soil erosion and soil deterioration and thus help in maintaining and increasing food production.

Stone Crushers

***1547. Shri A. K. Gopalan :** Will the Minister of **Labour** be pleased to state:

(a) whether it has come to the notice of the Government of India that the South India Corporation, Contractors to Cochin Port authorities for the supply of granire and stone have introduced stone-crushers in the quarries in Tripunittura in Travancore-Cochin State;

(b) whether Government are aware of the consequence of the introduction of stone-crushers in this place;

(c) whether it is a fact that this measure has aggravated the terrible unemployment situation in the area; and

(d) whether the Government of India will take steps to prohibit the use of stone crushers in Travancore-Cochin State.

The Deputy Minister of Labour (Shri Abid Ali) : (a) to (c). According to a report received from the Travancore-Cochin Government, the South India Corporation, intended to use a crusher in the quarries at Manimala but it was objected to by the workers. The Conciliation Officer intervened in the matter and an understanding has been reached between the parties. The Contractor company has agreed not to use the crusher and the workmen have guaranteed the production of the required quantity of metal.

(d) The Government of India do not consider it appropriate to prohibit the use of stone crushers in Travancore-Chochin.

Hindi Time Tables

***1548.** { **Thakur Jugal Kishore Sinha :**
Babu Ramnarayan Singh :
Shri Asthana :

Will the Minister of **Railways** be pleased to state:

(a) the reasons why Hindi maps are not provided in Hindi time tables; and

(b) the reasons why it is not possible to publish the time-table in English and regional languages a fortnight before the enforcement of changed timings of the trains in all zonal railways.

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan) : (a) and (b). A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX , annexure No. 30].

'Diaper' Wood

***1549. Shri Madiah Gowda :** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether an article appearing in the Sunday *Hindusthan Standard* dated the 8th July, 1956, regarding 'Diaper', the valuable wood waste material prepared in Dehra Dun Forest Research Institute has been noticed; •

(b) whether any extra scope has been created in the Institute for its extension and development; and

(c) whether anything has been done to popularise this craft.

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) Yes Sir.

(b) Yes, by using new raw materials like bamboo and empty match boxes and developing new designs.

(c) Yes, Sir. Diaper articles are displayed at exhibitions and advertised in the Indian Forester. Efforts are being made to extend its production as a small scale industry and to encourage commercial production through Wood Working Institutions for which the inventer is given facilities to visit States for giving advice and parting training.

Tram Cars in Delhi

***1550. Ch. Raghubir Singh :** Will the Minister of **Transport** be pleased to state the reasons for extending the period of operation of Tram Cars in Delhi?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan) : The condition of the rolling stock over head lines and track is such that the Tram Car services in Delhi can be satisfactorily operated for another three years without further investment of capital.

Alwaye and Aroor Bridges in T. C. State

***1551. Shri A. M. Thomas** : Will the Minister of **Transport** be pleased to state.

(a) the present stage of the workers of the Alwaye and Aroor Bridges on the National Highway within Travancore-Cochin State;

(b) the estimated cost of each bridge; and

(c) how much amount has spent so far?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan) : (a) to (c). A statement is laid on the Table of the Lok Sabha [*See* Appendix IX, annexure No 31].

Poultry Development Scheme

***1554. Shri M. Islamuddin :** Will the Minister of **Food and Agriculture** be pleased to state :

(a) the number of poultry development and extension centres and regional farms set up so far in each State under the Poultry Development Scheme ;

(b) the number proposed to be set up in 1956-57 ; and

(c) the amount of loan sanctioned to Bihar Government under the All India Poultry Development Scheme of the Second Five Year Plan ?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) and (b). A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, annexure No. 32].

(c) The State Government has not so far asked for any loan.

Telegraph Offices (Bihar)

***1555. Shri L. N. Mishra :** Will the Minister of **Communications** be pleased to state :

(a) whether it is a fact that Telegraph Offices for Khutauna, Lawkahi and Lawkaha of Darbhanga (Bihar) were sanctioned by Government and they have not yet been opened; and

(b) if so, the time when the said offices are expected to start functioning ?

The Minister in the Ministry of Communications (Shri Raj Bahadur) : (a) Telegraph Offices for Lawkaha and Lawkahi only were sanctioned.

(b) Lawkaha — Already opened on 21-7-1956. Lawkahi—Expected to be opened by March, 1957, if materials due are received in time.

Export and import of Wheat from Punjab

***1556. Shri Ram Dass :** Will the Minister of **Food and Agriculture** be pleased to state :

(a) the total quantity of wheat exported from the Punjab during the months of May, June and July, 1956 ;

(b) the total quantity of what imported into Punjab during these months; and

(c) the number of cheap grain shops opened in the Punjab during the same period?

The Minister of Food and Agriculture. (Shri A. P. Jain): (a) and (b) Since de-control wheat is moving freely on trade account both by rail as well as road and it is not possible to indicate the quantity of wheat moved from and to Punjab on trade account. 1,400 tons of what was despatched on Government account from Bombay to Punjab during July, 1956.

(c) Fair-price shops have been opened at Amritsar, Jullundur, Gurdaspur, Hoshiarpur, Ludhiana and Ambala in August.

Family Planning (Second Five Year Plan)

***1557 Shri Debendra Nath Sarma:** Will the Minister of **Health** be pleased to state:

(a) whether any detailed Scheme of Family Planning has been drawn up for the whole of the country in the Second Five Year Plan Period; and

(b) if so, the amount allotted for the Scheme, State-wise?

The Minister of Health (Rajkumari Amrit Kaur): (a) Yes.

(b) Rs. 497 lakhs have been provided but State-wise allotments have not yet been made.

Norwegian Ships

***1565. Shri V. P. Nayar:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the Vessels operating in Indian Seas under the Norwegian aid to fisheries have been registered in India;

(b) if not, the reasons therefor; and

(c) Since how long they are in our Seas flying the Norwegian flag?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) No.

(b) The vessels under Norwegian Registry on arrival in India were manned by Norweigan skippers and men. As a matter of administrative expediency, and as mutually agreed upon, the vessels were to be transferred to Indian registry as soon as practicable. Steps have since been taken to effect this transfer.

(c) Since January 1955; but they fly both the Norwegian and the Indian flags to reflect the joint venture.

Rice Milling Committee

***1569. Shri Achuthan:** Will the Minister of **Food and Agriculture** be pleased to refer to the replies given to Starred Question No. 453 and the supplementaries raised thereon on the 30th July, 1956 and state:

(a) whether the recommendations of the Rice Milling Committee have since been approved by Government;

(b) whether the recommendations in regard to the abolition of all rice mills over a period of five years and also imposition of a cess at the rate of 6 annas per maund of paddy milled in power-driven rice mills for subsidising the handpounding industry, have been accepted and are being implemented; and

(c) if so, when?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) No, Sir, they are still under consideration.

(b) and (c). Do not arise.

Railway Bookstalls

***1570. Shri Jhulan Sinha:** Will the Minister of **Railways** be pleased to refer to the reply given to Starred Question No. 1124 on the 3rd April, 1956 and state:

(a) whether any committees have been appointed to advise the Railways with regard to the quality of books to be stocked in the Bookstalls at the stations; and

(b) if so, the progress the Committees have made so far in their work?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) Yes; Bookstall Committees have been formed on all Railways, except the South Eastern Railway, where also the Committee is in the course of formation.

(b) On the Southern and Central Railways the Committees have gone round the bookstalls and made some recommendations and necessary action thereon is being taken.

On the Western Railway the Committees have sub-divided themselves into 4 groups and are visiting the bookstalls in their respective jurisdiction.

On the Northern, North-Eastern and Eastern Railways the Committees have been recently formed and the work is being taken in hand. [*See* Appendix IX, annexure No. 33].

Wireless Licences

***1571. Pandit D. N. Tiwary:** Will the Minister of **Communications** be pleased to state :

(a) whether the revision of the regulations regarding the grant of and conditions governing different types of wireless licences has been finalised; and

(b) the main differences between the existing and the new rules and conditions of licences of wireless?

The Minister in the Ministry of Communications (Shri Raj Bahadur) (a) and (b). I lay a statement on the Table of the Lok Sabha giving the requisite information. [*See* Appendix IX, Annexure No. 34]. Copies of the Indian Wireless Telegraphy (Commercial Radio Operators Certificates of Proficiency and Licence to operate Wireless Telegraphy) Rules, 1954 are being separately supplied to the Library of the Parliament.

Airport Consultative Committee

***1572. Shri Krishnacharya Joshi:** Will the Minister of **Communications** be pleased to state :

(a) the main problems relating to the control and development of aerodromes discussed at the meetings of Airport Consultative Committee since 1954; and

(b) the dicisions arrived thereon ?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) and (b). I lay on the Table of the Lok Sabha a statement giving the requisite information. [*See* Appendix IX, Annexure No. 35].

Cotton

***1573.** { **Sardar Iqbal Singh:**
Sardar Akarpuri:

Will the Minister of **Food and Agriculture** be pleased to state :

(a) whether any special variety of cotton seed requiring little irrigation and yielding more produce has been developed in Punjab ; and

(b) if so, whether this seed will be popularised by Government in other parts of the country ?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) No.

(b) Does not arise.

National Highway

***1534. Shri Bheekha Bhai:** Will the Minister of **Transport** be pleased to state how far progress on National Highway No. 8 Bichiwara-Retanpur section has been made ?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahanwaz Khan): The earth embankment has been completed practically all along the alignment except in gaps left for Cross Drainage Works and deep cutting in Ghat Section in a length of 4 chains in Miles 18 and 19.

Soling has been laid and consolidated in a length of about 3 miles. Metal collection has been done at the quarry. Overall progress of the work is about 50 percent.

Electrification of Rayagada Station

***1575. Shri Sanganna :** Will the Minister of **Railways** be pleased to refer to the reply given to Unstarred Question No. 2212 on 18th May, 1956 and state :

(a) whether any final decision regarding electrification of Rayagada Railway Station has since been taken ; and

(b) if so, what it is ?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shah Nawaz Khan): (a) and (b). Yes. Electrification work is in hand. The licensee has been approached for the service connection estimate and the tariff-rate for high tension supply is under negotiation with the Orissa Government. Electrical Powe expected to be available by the end of this year.

Ernakulam-Quilon Rail Link

***1576. Shri A. M. Thomas:** Will the Minister of **Railways** be pleased to state :

(a) the latest position of the works in connection with the Ernakulam-Quilon Rail link;

(b) when the line from Ernakulam to Kottayam will be thrown open to traffic;

(c) when the entire line will be completed;

(d) the total amount spent so far; and

(e) the present estimate of expenditure when the line would be completed ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) An overall progress of about 70% of the work has been made.

(b) it is expected to be opened by the middle of Oct. '56.

(c) The entire line will be opened in 1957.

(d) About Rs. 360 lakhs has so far been incurred.

(e) The present estimate for the completion of the entire line is Rs. 601 lakhs.

Telephone Exchange (Bihar)

*1577. **Shri L. N. Mishra**: Will the Minister of **Communications** be pleased to state:

(a) whether there is any proposal to provide Telephone Exchange Offices at Nirmali, Supaul, Madhipura and Birpura in Bihar, and

(b) if so, the time by which they are expected to start working?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) and (b). Facilities exist at all the four places for obtaining telephone connections (Public Call Office extensions).

Proposals for installation of telephone Exchanges at Supaul and Birpur only are under examination and will be sanctioned if financially justified.

Lucknow-Patna Air Service *via* Gorakhpur

*1578. **Shri Sinhasan Singh**: Will the Minister of **Communications** be pleased to state:

(a) whether any suggestions have been made by the Lucknow station of the Indian Air Lines Corporation to have a daily shuttle air service between Lucknow and Patna *via* Gorakhpur;

(b) if so, the decision arrived at;

(c) if not, whether Government have taken any decision to extend the number of days of the *service*; and

(d) whether Government propose to reduce the air fare so that greater number of people can make use of air *journies*?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) No, Sir.

(b) Does not arise.

(c) The traffic between Lucknow-Gorakhpur, Gorakhpur-Patna and Patna-Lucknow does not warrant either the introduction of a shuttle service or the increase in the existing frequency of the service.

(d) The question of framing a set of principals for determining the fares and freight rates on the services of the Indian Airlines Corporation has been referred to the Air Transport Council.

Shipping

*1579. **Shri Matthen**: Will the Minister of **Transport** be pleased to state.

(a) whereas the Second Plan states that provision of 45 crores has been made for the development of Shipping, why only about 37 crores are available for the expansion programme;

(b) whether this will be adequate for acquiring the additional tonnage of 3 lakhs during the Second Plan period and replaci g the old tonnage of about 90,000 already estimated in the Plan; and

(c) how this is proposed to be done in view of the rising cost of new ships and heavy over-booking in foreign Ship-building yards and the maximum capacity of the Vizag Yard?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The provision of Rs. 45 crores includes a carry over of about Rs. 8 crores from the First Five Year Plan to meet the commitments entered into during that period. Thus a sum of Rs.37 crores only will be available for the additional expansion programmed during the Second Plan period.

(b) The provision may not be adequate for the purpose. It is the intension to review the position from time to time with a view to securing additional funds that may be required.

(c) Indian Shipping Cmpanies have already placed some building orders for ships in foreign yards as well as in the Hindustan Shipyard Ltd., Visakhapatnam. It is expected that they may be able to place orders for some more ships in foreign yards where some spare capacity may still be available. It is also envisaged that the Companies will go in for some suitable second-hand ships when the market conditions are favourable.

Mustard Oilseeds

*1580. **Shri S. C. Samanta**: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the quantity of mustard oilseeds produced in the State of West Bengal during the First Five Year Plan (year-wise);

(b) whether it is a fact that the State of West Bengal consume the highest quantity of mustard oil; and

(c) if so, the steps that have been taken to improve Mustard seed cultivation in that State?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Quantities of mustard oilseeds produced during the First Five ear Plan in West Bengal were :—

1951-52	. 39,000 tons
1952-53	. 44,000 tons
1953-54	. 28,000 tons
1954-55	. 34,000 tons
1955-56	. 34,000 tons

(b) No.

(c) The Indian Central Oilseeds Committee is financing schemes for research on olilseeds and for multiplication of improved strains of mustard in the State.

Indian Shipping Companies

***1581. Shri Krishnachary Joshi:** Will the Minister of **Transport** be pleased to state :

(a) the measures Government propose to adopt to assist Indian Shipping Companies for further expanding the overseas trade, acquisition of tankers etc.; and

(b) the demands of the Shipping Companies ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 36].

(b) The Indian Shipping Companies have from time to time asked for various forms of assistance form the Government of India for development of Indian Shipping. Their suggestions have been discussed the meetings of the Consultative Committee of Ship-owners which are held every year under the Chairmanship of the Minister for Transport. A statement containing some of the important suggestions made and concessions asked for by the Companies is laid on the Table of the Lok Sabha [*See* Appendix IX, Annexure No. 36].

Telegraph Facilities between Dungarpur and Aspur

***1583. Shri Bheekha Bhai:** Will the Minister of **Communications** be pleased to state:

(a) whether it is a fact that Dungarpur has been connected by telegraph line to Aspur *via* a route different from that recommended by the Posts and Telegraphs Advisory Committee of Rajasthan Circle; and

(b) if so, the reasons for leaving aside the claims of towns like Bankora, Baroda, Punjpur and the reasons for side tracking the big villages?

The Minister in the Ministry of Communications (Shri Raj Bhadur): (a) and (b). The telegraph line to Aspur had to be taken by the shorter route to keep down the cost.

Australian Trees and Grasses

***1584. Shri Sanganna:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Australian trees and grasses are used in this country for the reclamation of arid and eroded land;

(b) if so, in which parts of the country and to what extent; and

(c) what is the result?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes, as an experimental measure in Soil Conservation.

(b) In the Nilgiris in Madras in the Coastal sand dunes in Orissa, Madras, Andhra, Bombay & Saurashtra; on eroded land in Mysore and in the arid and sandy areas of Rajasthan. Information regarding the extent of area covered is not available.

(c) They have been showing promising results in all these places excepting in the Rajasthan where experimental work is still in progress.

Indian Council of Medical Research

***1585. Shri S. C. Samanta:** Will the Minister of **Health** be pleased to lay on the table a statement showing:

(a) the important problems of nutrition, that were taken up by the Indian Council of Medical Research during the First Five Year Plan;

(b) whether any long term programme has been drawn up to improve the nutritional status of Indian people by theCouncil;

(c) if so whether a summary of the same will be placed on the Table of the Sabha;

(d) whether any nutritional survey was taken up by the Ministry; and

(e) if so, when and with what results?

The Minister of Health (Rajkumari Amrit Kaur) : (a) and (b). A statement is laid on the Table of the Lok Sabha. [*See* Appendix IX, annexure No. 37].

(c) A summary of the programme of work is given in the Indian Council of Medical Research publication entitled "Medical research in the Second Five Year Plan", copies of which have been placed in the Library of the Parliament.

(d) No.

(e) Does not arise.

All-India Market News Service

1086. { **Shri Ram Krishan :**
Shri Debendra Nath Sarma:

Will the Minister of **Food and Agriculture** be pleased to state the stage at which the proposal of setting up of an All-India Market News Service for farmers is?

The Minister of Food and Agriculture (Shri A. P. Jain) : Steps are being taken to enlarge and improve the Market News Service for farmers in consultation with the State Governments and the All-India Radio.

Mixed Trains

1087. Shri Ram Krishan : Will the Minister of **Railways** be pleased to state the action taken so far for the elimination of running mixed trains as recommended by Estimates Committee in its 17th Report?

The Deputy Minister of Railways and Transport (Shri Alagesan) : The Railway Administrations have been or advised to minimise the running of mixed trains on sections where the traffic warrants the running of both passenger and goods trains separately, consistent of course with the availability of stock, power and line capacity. On the sections where separate passenger and goods trains are not justified from the traffic point of view it is not considered expedient to eliminate running of mixed trains.

मालगाडी के डिब्बों का पटरी से उतरना

१०८८. श्री रघुनाथ सिंह : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि २५ जुलाई १९५६ की सुबह मध्य रेलवे की मनमाड-जालना छोटी लाइन पर कारमद और गेबराय स्टेशनों के बीच एक मालगाड़ी के ग्यारह डिब्बे पटरी से उतर गये, जिसके फलस्वरूप यातायात बन्द हो गया ;

(ख) यदि हां, तो दुर्घटना के कारण क्या हैं ;

(ग) सामान्य यातायात के लिये इस पथ को साफ करने में कितना समय लगा ; और

(घ) इससे रेलवे को कितना नुकसान हुआ ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) २५–७–५६ को लगभग ८ बज कर ३५ मिनट पर जब ८०८ अप मालगाड़ी मध्य रेलवे के मनमाड-जालना मीटर लाइन सेक्शन के कारमाड और गेबराय स्टेशनों के बीच जा रही थी, तो उसके २१ डिब्बे, जिसमें चार बोगियां थीं, ८८/१७ मील पर पटरी से उतर कर उलट गये, जिससे गाड़ियों का आना जाना रुक गया ।

(ख) ऐसा जान पड़ता है कि उतरने वाले डब्बों में से एक यांत्रिक दोष (mechanical defect) होने के कारण यह दुर्घटना हुई ।

(ग) २७–७–५६ को दिन के लगभग सवा बारह बजे यानी ५१ घंटे ४० मिनट बाद इस लाइन पर गाड़ियां फिर आने-जाने लगीं ।

(घ) इससे लगभग ६५,००० रुपये की रेल सम्पत्ति का नुकसान हुआ ।

Despatch of Betel Leaves

1089. Shri N. B. Chowdhury : Will the Minister of **Railways** be pleased to state the earnings on account of despatch of betel leaves from the four Railway Stations at Kolaghat, Mechada, Panchkura and Bhogpur on the South-Eastern Railways during the years 1953-54, 1954-55 and 1955-56?

The Deputy Minister of Railways and Transport (Shri Alagesan) : The required information is given in the statement laid on the Table of the House. [*See* Appendix IX, Annexure No. 38].

Cultivable Fallow Land in Rajasthan

1090. Shri Karni Singhji : Will the Minister of **Food and Agriculture** be pleased to state

(a) the area of cultivable fallow land in 1955 in each division of Rajasthan; and

(b) the area of such land brought under cultivation from 1949 to 1955 by irrigation from Canals, Bunds and Wells and also in non-irrigated areas?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) A statement showing the area under cultivable fallow land in each division of Rajasthan during 1953-54, which is the latest year for which such information is available, is laid on the Table of the House. [*See* Appendix IX, Annexure No. 39].

(b) The required information is not available.

धोबियों की मांग

१०९१. श्री **बु० रा० वर्मा** : क्या **स्वास्थ्य** मंत्री यह बताने की कृपा करेंगी कि :

(क) क्या यह सच है कि २३ जुलाई, १९५६ को बड़ी संख्या में धोबी मंत्री से मिले थे और उन्हें एक ज्ञापन दिया था ; और

(ख) यदि हां, तो सरकार ने इस बारे में क्या कार्यवाही की है ?

स्वास्थ्य मंत्री (राजकुमारी अमृत कौर) : (क) जी, हां ।

(ख) धोबियों की मुख्य शिकायतें ये थीं :

(१) आजादी के बाद धोबियों के लाइसेंस और दूसरी फीस में बढ़ती ।

(२) धोबियों के मकानों की कमी । और

(३) फौजी अधिकारियों द्वारा द्वारा पेशेवर धोबियों के बजाय गैर-पेशेवर धोबियों को ठेका दिया जाना ।

शिकायत (१) के बारे में लगाये गये आरोप सही नहीं पाये गये हैं; शिकायत (२) के बारे में यह सोचा गया है कि धोबियों के मकानों का प्रश्न आवास के आम प्रश्न से अलग नहीं लिया जा सकता और उन्हें दूसरे लोगों के साथ ही अपनी बारी की प्रतीक्षा करनी होगी; और जहां तक शिकायत (३) का सम्बन्ध है, चूंकि मेमोरेंडम की एक कापी रक्षा मंत्री को भी दी गई है, ऐसा समझा जाता है कि रक्षा मंत्रालय इस मामले में आवश्यक कार्यवाही करेगा ।

गाड़ी का पटरी से उतरना

१०९२. **श्री रघुनाथ सिंह** : क्या **रेलवे** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि ३० जुलाई, १९५६ की रात को मध्य रेलवे की छोटी लाइन के ग्वालियर-शिवपुरी सैक्शन पर ग्वालियर से १५ मील की दूरी पर एक मालगाड़ी के पांच डिब्बे पटरी पर से उतर गये थे जिसके फलस्वरूप एक व्यक्ति की मृत्यु हो गई ; और

(ख) यदि हां, तो इस दुर्घटना का कारण क्या था ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) ३०–७–५६ को दिन में लगभग ३ बज कर १५ मिनट पर जब नं० ८२८ अप मालगाड़ी मध्य रेलवे के शिवपुरी-ग्वालियर छोटी लाइन सेक्शन पर नौनन्दा और पुन्नियार स्टेशनों के बीच जा रही थी, तो उसके इंजन से दूसरे से लेकर छठे तक पांच डिब्बे १८/७ और १८/८ मील के बीच उलट गये और इंजन से सातवें डिब्बे के दो जोड़ी पहिये पटरी से उतर गये । इस दुर्घटना से एक चाबी वाले (keyman) को, जो उलटे हुये डिब्बों में से एक में सफर कर रहा था, गहरी चोटें आई । वह चाबी वाला बाद में मर गया ।

(ख) दुर्घटना के कारण की जांच की जा रही है ।

Afforestation

1093. **Shri Bheekha Bhai**: Will the Minister of **Food and Agriculture** be pleased to state :

(a) whether it is a fact that no publicity was done during the First Five Year Plan regarding the afforestation policy of Government ; and

(b) whether Government have earmarked any sum for the purpose in the Second Five Year Plan ?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Publicity was done by the Central Government in connection with the annual Vana Mahotsava Celebrations and publicising the results of work done at the Forest Research Institute.

(b) No provision for publicity on forestry as such has been made in the Plan but this will be one of the functions of the Forestry Commission proposed to be set up under the Plan.

Fisheries

1094. **Shri V. P. Nayar :** Will the Minister of **Food and Agriculture** be pleased to state :

(a) the quantity of yarn consumed for net making (and net repairing) for use in fisheries in Travancore-Cochin State ;

(b) the price at which the fishermen are supplied with the required yarn (prices for different counts of yarn) ;

(c) whether there are any special agencies for distributing yarn to fishermen ; and

(d) whether Government have provided any subsidy for this purpose ?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) Information is not readily available.

(b) Yarn is available in the open market and as such it is not supplied through the Fisheries Department. Nylon yarn is, however, supplied for net making at Rs. 11/4/- to Rs. 12/- per pound.

(c) Nylon yarn is distributed through the Fisheries Department of the State.

(d) A subsidy of 33 1/3 per cent. is allowed on Nylon Yarn.

Fishermen Co-operatives in T. C. State

1095. **Shri V. P. Nayar :** Will the Minister of **Food and Agriculture** be pleased to state :

(a) The number of fishermen co-operatives in Travancore-Cochin State ;

(b) their capital share value ;

(c) the total amount of loans and grants given, if any, to fishing co-operatives in the State during 1955-56;

(d) whether Government have any proposal to organise mutual aid teams, and co-operatives for fishermen ; and

(e) if so, details thereof ?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) 63.

(b) Rs. 48,600.

(c) Loans Rs. 45,200 ; Grant nil.

(d) Yes.

(e) New Model Societies are being formed and given all necessary equipment at various places where fishermen do not own such equipment. A share of daily catch is taken towards repayment of loan. The mode of division of catch which is being introduced is :

(1) share based on average price per lb. of fish.

or

(2) equal division of the earnings of a boat.

Fishermen in Travancore-Cochin State

1096. **Shri V. P. Nayar :** Will the Minister of **Food and Agriculture** be pleased to state :

(a) whether Government are rendering any assistance, financial or otherwise, to improve the fishing gear and tackle of the Travancore-Cochin's marine fishermen ; and

(b) if so, the details thereof ?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) Yes.

(b) Under the Grow More Food schemes, the following loans and grants have been given to the State :

1954-55	Loan to the West Coast Fisheries, Ltd. to develop deep sea fishing . . .	4,00,000
1955-56	Supply of fishing equipment :	
	Grant . .	6,250
	Loan . .	37,500
1956-57	Mechanisation of small fishing crafts :	
	Grant . . .	31,040
	Loan . . .	93,000
	Supply of fishery requisites :	
	Grant . . .	15,040
	Loan . . .	90,000

Under the Indo-American Technical Co-operation Mission project, five marine diesel engines and other fishery requisites including 80,000 fishing hooks 2,375 lb. of nylon and fishing gear, to the total value of Rs. 57,000 were made available to the State Government in 1954-55. New nets, both nylon and cotton, and large nets like shrimp trawl, purse-seine etc. have been introduced and demonstrated to fishermen by the State Government who also give such fishermen training in the operating of such nets. Mechanised boats are being designed to operate from beaches, and other class of mechanised boats besides new types of larger fishing boats like purse-seiners, shrimp trawlers etc. are being demonstrated by the State Government.

Under the Indo-Norwegian Fishing Community Development Project in Travancore-Cochin, upto June, 1956, nineteen boats of improved types have been built locally. Upto the end of May, 1956, nine boats were issued to the fishermen. Three 30' dories twelve 22' boats and three 51'-65' schooners have been imported from Norway. The boat building yard and the mechanical workshop have been completed and the manufacture of boats with local timber has begun. A batch of forty trainees had completed their training till March 1956, fifteen trainees are undergoing training in the handling of engines, netmaking, etc. and a further batch of fifteen trainees have just commenced their training.

Fishing Boats in T. C. State

1097. **Shri V. P. Nayar:** Will the Minister of **Food and Agriculture** be pleased to state :

(a) the number of fishing boats in Travancore-Cochin State;

(b) the number of boats fitted with engines ;

(c) the number of trawlers and purse-seiners in use in Travancore-Cochin State ; and

(d) the financial aid, if any, given to fit up engines to boats used for fisheries ?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) 7,600 sea-going fishing boats.

(b) 29.
(c) 9.

(d) Engines and boats fitted with engines are supplied by the State Government at 50 p. c. of the cost price recoverable in instalments over a period of four years.

Fisheries in T. C. State

1098. **Shri V. P. Nayar:** Will the Minister of **Food and Agriculture** be pleased to state :

(a) whether the Travancore-Cochin Fisheries Department has made any special study of the following problems :

(*i*) the commercial exploitation of the Wadge Bank ;

(*i*) introduction of artificial fish rearing in areas free from inundation during flood time ;

(*iii*) preservation of seasonal fish ; and

(*iv*) the development of subsidiary industries related to fisheries; and

(b) if so, the details of each study ?

The Minister of Food and Agriculture (Shri A.P. Jain): (a) (i) No Experimental fishing has, however, been done by the power vessels in certain portions of the Wadge Bank ;

(*ii*) Yes. Rearing of fish in areas free from inundation during floods has been studied and introduced on large scale.

(*iii*) Yes. Special study has been made on the preservation of seasonal fish. Preservation is done usually by drying and freezing.

(*iv*) Yes. Subsidiary industries like net-making extraction of shark liver oil and sardine oil have been studied and introduced.

(b) 1. *Exploitation of Wadge Bank:* Experimental Dory fishing has been carried in the North-West extension of the Wadge Bank by the vessel owned by the State Government as well as by the vessels owned by the West Coast Fisheries (Travancore) Ltd. Commercial drawling has also been carried out by the latter vessels under the guidance of British and Japanese skippers.

2. *Artificial Fish rearing* :

Stocking of exotic species of fish like Labeo, Mirror carp and Tilapia is being carried on in a large scale in most of the inland Districts like Kottayam, Kankirappally, Thiruvalla and other suitable places. Distribution of fish is effected directly by the State Department of Fisheries and also through the Community Project and Development Blocks. Thousands of fingerlings are imported every year and distributed to private culturists and local bodies free of charge.

3. *Preservation of seasonal, fish* :

The seasonal fish, in the absence of suitable means of distribution in ice, are usually dried. Certain studies in the methods of salting and drying are being made. Next to drying preservation is possible by freezing. The State Government Cold Storage at Trivandrum is now used for the freezing of prawns which is a seasonal fish. Other varieties of fish are also being frozen. In addition to the Government plant a number of plants owned by private parties are also used for freezing. Erection of more freezing plants is now being considered by the State Government.

4. *Subsidiary Industries*:

Shark Liver Oil and Sardine Oil are being prepared along the coast line wherever these types of fish are available. Net-making is an alternative job during the off season. Net-making as a subsidiary industry on a co-operative basis is also being attempted. Prawn shells are being converted to fish-meal for export. Apart from these no other subsidiary industry from fish is possible since enough raw materials are not available. All fish caught is being practically used for food.

Trivandrum Medical College (Treatment)

1099. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state :

(a) whether it is a fact that the use of modern anaesthetics is very much restricted in the Trivandrum Medical College Hospital ;

(b) the number of major operations per month done on sodium pentathol and other anaesthetics other than chloroform and the spinal injection ; and

(c) whether it is also a fact that the other major hospitals in the State provide only inadequate facilities in anaesthesia for surgical operations ?

The Minister of Health (Rajkumari Amrit Kaur): (*a*) No.

(b) Statistics are not available.

(c) Yes ; facilities in anaesthesia for surgical operations in other hospitals in the State are inadequate due to lack of qualified personnel.

Students of Trivandrum Medical College

1100. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state the number of students who are now in the final year in the Medical College of Trivandrum and their percentage to those admitted in the first year of the course ?

The Minister of Health (Rajkumari Amrit Kaur): There are 47 students in the final year. The percentage is 78·3.

Post-Graduate Courses in Medicine in Trivandrum Medical College

1101. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state :

(a) whether there are any post-graduate courses in Medicine or Surgery in the Medical College of Trivandrum ; and

(b) if not, whether Government have any proposal or scheme for post-Graduate courses in these subjects in the near future ?

The Minister of Health (Rajkumari Amrit Kaur) : (a) No.

(b) Post-Graduate courses in Medicine and Surgery are proposed to be started in 1957 and 1958 respectively under the Second Five Year Plan.

Nurses

1102. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state :

(a) whether it is a fact that today the largest percentage of nurses are from among the Malayalees ;

(b) whether there is any college for nurses in Kerala and if not, why ; and

(c) whether Government have any plans to start a college of nursing in Travancore-Cochin State ?

The Minister of Health (Rajkumar Amrit Kaur) : (a) No accurate statistics are available.

(b) No. It is considered that adequate facilities are not available at present to start another College of Nursing.

(c) No.

Grants-in-aid to Vaidyasalas

1103. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state:

(a) the number of Grant-in-aid to *Vaidyasalas* in Travancore-Cochin State ;

(b) the usual grant per year or month given for the *Vaidyas*;

(c) whether there is any proposal to increase the grants, and if not, why ; and

(d) the percentage of people served by the allopathic system in the State as against the indigenous systems like Ayurveda, Unani and Chintharmani ?

The Minister of Health (Rajkumari Amrit Kaur): (a) Two Hundred and Ninty-nine *Vaidyasalas*.

(b) Rates vary from rupees twenty to thirty per mensem.

(c) Yes.

(d) Modern medicine 76 per cent, Ayurveda and all other systems 24 per cent.

Dentists in Travancore-Cochin State

1104. **Shri V. P. Nayar**: Will the Minister of **Health** be pleased to state:

(a) the number of dentists working as registered practitioners under the Medical Registration Act, in Travancore-Cochin State;

(b) the number of dentists employed in Government service; and

(c) whether Government propose to start a College of Dentistry in the State in view of the large number of dentists as compared to other States?

The Minister of Health (Rajkumari Amrit Kaur): (a) 182.

(b) 14 of whom two are paid and twelve are honorary.

(c) A proposal for starting a Dental College at Trivandrum is under the consideration of the State Government.

Emoluments of Medical Licentiates (Travancore-Cochin)

1105. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state:

(a) whether it is a fact that medical licentiates and graduates in Government service in Travancore-Cochin State get far less than their counterparts in Delhi, West Bengal and other States;

(b) whether Government have any proposals to bring their pay on par with other States;

(c) if so, from when; and

(d) if not, the reasons therefor?

The Minister of Health (Rajkumari Amrit Kaur): (a) In Travancore-Cochin medical graduates and licentiates are given pay in the common scale of Rs. 150-300 graduates starting on Rs. 200 p.m. and medical licentiates on Rs. 150 p.m. The following scalesn of pay are admissible in Delhi and West Bengal:

Delhi

(*i*) Assistant Surgeons, Grade I: Rs. 260-15-440-20-500.

(*ii*) Assistant Surgeons, Grade II: Rs. 120-8-160-10-200-EB-10-300, licentiates starting on 120 p.m. and graduates on Rs. 160 p.m.

West Bengal

(*i*) Asstt. Surgeons: Rs. 200-10-420-15-450.

(*ii*) Sub-Asstt. Surgeons: **Rs. 100-5-190-10-250.**

(b) to (d). The question of revising the scale of pay admissible to medical graduates and licentiates in Travancore-Cochin is under consideration of the State Government and a decision is likely to be taken shortly.

Pay of Nurses

1106. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state how the pay and allowances of nurses, midwives, compounders, technicians and others in subordinate medical service in Travancore-Cochin State compare with the pay and allowances of their counterparts in Bombay, Madras and Delhi?

The Minister of Health (Rajkumari Amrit Kaur): Information regarding the pay and allowances of the nursing staff in the various States including Travancore-Cochin is given in the Report of the Nursing Committee which was appointed by the Government of India to review the conditions of service emoluments etc. of the nursing profession. Copies of the Report are available in the Library of the Parliament.

Information regarding scales of pay admissible to compounders and laboratory technicians in Bombay, Madras, Delhi and Travancore-Cochin States is laid on the Table of the House. [*See* Appendix IX, Annexure No. 40].

Dental Decay in T. C. State

1107. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state:

(a) whether it is a fact the dental decay among students of Travancore-Cochin is on the increase and whether this has been subjected to any detailed investigation;

(b) whether the Medical Examinations of students in the State include dental examinations; and

(c) if not, why?

The Minister of Health (Rajkumari Amrit Kaur): (a) No detailed investigation has been made on the subject.

(b) Yes.

(c) Does not arise.

Child Birth in Travancore-Cochin

1108. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state:

(a) the percentage of child births which take place in the hospitals of Travancore-Cochin;

(b) the percentage of pregnant women who get modern medical aid in the State;

(c) whether there is any proposal to intensify such medical aid; and

(d) if so, the target percentage proposed for the Second Five Year Plan?

The Minister of Health (Rajkumari Amrit Kaur): (a) and (b). Information is not available.

(c) and (d). It is proposed to start 250 Maternity and Child Health Centres with two beds for emergent delivery cases and 18 Maternity Homes each with six beds during the Second Five Year Plan. The M.C.H. work will also be carried out through 56 Primary Health Centres which are proposed to be set up in the State in the Second Five Year Plan period.

Women Doctors in T. C. State

1109. Shri V. P. Nayar : Will the Minister of **Health** be pleased to state the number of women doctors employed at present in Government service in Travancore-Cochin State?

The Minister of Health (Rajkumari Amrit Kaur): 138 women doctors are employed in Government service in Travancore-Cochin State.

Nutritional Disorders in T. C. State

1110. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state:

(a) whether any investigations have been made regarding nutritional disorders among the school-going children of Travancore-Cochin State:

(b) whether it is a fact that the incidence of nutritional disorders among school-going children is higher in the coastal areas;

(c) whether it is also a fact that as compared to other States, Travancore-Cochin's school-going children manifest visible symptoms of malnutrition more; and

(d) if so, the reasons therefor?

The Minister of Health (Rajkumari Amrit Kaur) : (a) to (d). No investigation has been made regarding nutritional disorders among the school-going children of Travancore-Cochin State.

Malnutrition among Children in T.C. State

1111. Shri V. P. Nayar : Will the Minister of **Health** be pleased to state .

(a) whether there is any arrangement in Travancore-Cochin State by which school-going children manifesting visible symptoms of malnutrition get any, protective foods or at least medical advice; and

(b) if so the details of thereof?

The Minister of Health (Rajkumari Amrit Kaur) : (a) and (b). The State set up a school feeding programme in 1955-56 under which 272 schools are being given U.N.I.C.E.F. milk powder and other food supplements. 100 more schools have been included in this programme this year. About 100 children are fed in each shool daily. A scheme for a school health programme in all the schools in the State is also under consideration of the State Government.

Trivandrum Medical College

1112. Shri V. P. Nayar : Will the Minister of **Health** be pleased to state:

(a) whether there are any facilities in the Trivandrum Medical College to do any research work in any of the common diseases of the State; and

(b) if so, what are such facilities ?

The Minister of Health : (Rajkumari Amrit Kaur) : (a) Yes.

(b) Research is now being done on—

(*i*) malnutrition in children

(*ii*) heart affections in typhoid fevers. Research on Goitre and Diabetes is being started.

Water Supply in T. C. State

1113. Shri V.P. Nayar : Will the Minister of **Health** be pleased to state :

(a) whether any investigation has been made on the effect of drinking brackish water in the absence of fresh water in the coastal villages of the Travancore-Cochin State; and

(b) if so, the results of such investigation.

The Minister of Health (Rajkumari Amrit Kaur) : (a) No.

(b) Does not arise.

Tuberculosis (Travancore-Cochin)

1114. Shri V. P. Nayar : Will the Minister of **Health** be pleased to state:

(a) whether it is a fact that the incidence of tuberculosis is highest in Travancore-Cochin State and also that it is on the increase;

(b) the number of T. B. patients who can now have the benefit of treatment as in-patients; and

(c) the number of active T. B. patients (as estimated) at present?

The Minister of Health (Rajkumari Amrit Kaur) : (a) No reliable statistics of the incidence of tuberculosis in the Travancore-Cochin and other States are available. It is, therefore, not possible to compare the position.

(b) 470.

(c) 25,000 approximately.

Trains on Northern and Western Railways

1115. **Shri Ram Krishan** : Will the Minister of **Railways** be pleased to state:

(a) whether it is a fact that there is no mail or express train on the following routes:

(*i*) Rewari-Bhatinda route on metre gauge section of Northern Railway; and

(*ii*) Rewari-Phulera chord on metre gauge section of Western Railway;

(b) if so whether Government propose to start such trains on these lines; and

(c) if so, when?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) (*i*) and (*ii*). Yes.

(b) No. The need for an express or mail train on the Delhi-Bhatinda section *via* Rewari is, however, recognised, but it is not feasible to introduce such a train at present, due to paucity of coaching stock and locomotives and inadequate line capacity on the Delhi-Rewari Section. There is no traffic justification for an express or mail train on the Rewari-Phulera chord section.

(c) Does not arise.

T. B. Beds in Mulankunnathucavw

1116. **Shri Mathew**: Will the Minister of **Health** be pleased to state:

(a) the number of beds in the T. B. Sanatorium at Mulankunnathucavw in Travancore-Cochin State;

(b) the average number of patients on the waiting list at a time for admission as in-patients;

(c) the average duration of time that a patient is on the waiting list before he is admitted; and

(d) whether there is any proposal to increase the beds in the Sanatorium?

The Minister of Health (Rajkumari Amrit Kaur): (a) 129.

(b) 1,760.

(c) 4 years.

(d) Yes; 64 beds are being added. The bed strength is proposed to be raised to 300 under the Second Five Year Plan.

Irrigation Tanks in T. C. State

1117. **Shri V. P. Nayar**: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the number of irrigation tanks in Travancore-Cochin State at present; and

(b) the number of such tanks encroached upon?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) 6824.

(b) Information is not available.

Fishing

1118. **Shri V. P. Nayar** : Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total number of fishermen engaged in (i) Marine Fisheries, (ii) Estuarine Fisheries, (iii) Inland Fisheries; and

(b) the number of people in India depending directly or indirectly on Fisheries (Marine and Inland)?

The Minister of Food and Agriculture (Shri A. P. Jain):(a) According to the Report on the Marketing of Fish in India issued by the Directorate of Agricultural Marketing and Inspection in 1952, the estimated population of adult fishermen was about five lakhs. Other details are not available.

(b) The information is not available.

Wadge Bank

1119. **Shri V. P. Nayar** : Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the information available with the Government of India indicate that the "Wadge Bank" off the Malabar Coast has scope for more than 100 powered fishing boats being put to regular use; and

(b) whether Government are aware that at present Ceylon lands a catch of about 70 to 80 tons of fish per vessel, by working in the Wadge Bank?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) It is not possible to indicate the scope for powered fishing boats without information on the intensity of fish stocks.

(b) As far as the Government of India are aware, the trawlers operating from Ceylon in the Wadge Bank in 1953 were landing only about 40 tons per vessel per trip.

Wadge Bank

1120. **Shri V. P. Nayar** : Will the Minister of **Food and Agriculture** be pleased to state the sum if any asked for the development of fisheries in Wadge Bank under the Second Five Year Plan?

The Minister of Food and Agriculture (Shri A. P. Jain): No specific amount for the development of fisheries in the Wadge Bank, under the Second Plan was asked for.

Fishing Harbours

1121. Shri V. P. Nayar: Will the Minister of **Food and Agriculture** be pleased to state the detail of the scheme to develop a chain of fishing harbours in the Malabar Coast with a view to develop the commercial exploitation of Wadge Bank?

The Minister of Food and Agriculture (Shri A. P. Jain): Survey is being undertaken to select suitable site for the development of Fishing Harbours on the Malabar Coast.

Extra-departmental Post Offices

1122. Shri Hem Raj: Will the Minister of **Communications** be pleased to state the number of extra-departmental branch post offices, sub-post offices other than extra-departmental sub-post offices, post offices, telegraph offices, public call telephone offices opened, with the names of the places, during the First Five Year Plan period in the Kangra District (Punjab).

The Minister in the Ministry of Communications (Shri Raj Bahadur): A statement giving the required information is placed on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 41].

Postal Divisions, Rajasthan

1123. Shri Balwant Sinha Mehta: Will the Minister of **Communications** be pleased to state:

(a) the area of various postal divisions of Rajasthan circle;

(b) whether Government propose to create a new postal division at Udaipur;

(c) if so, when it is likely to materialise; and

(d) if not, why?

The Minister in the Ministry of Communications (Shri Raj Bahadur (a) Area in Sq. miles of :

South Rajasthan Division	18743
Central Rajasthan Division	15129
West Rajasthan Division	46897
North Rajasthan Division	30082
East Rajasthan Division	18172
Bhopal Division	14512
Malwa Division	9103
Gwalior Division	17483
Indore Division	16162

(b) No.

(c) Does not arise.

(d) Not justified as per departmental standards.

डबोक का हवाई अड्डा

११२४. श्री बलवन्त सिह महता : क्या संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) डबोक में एक हवाई अड्डे का निर्माण करने के लिये कृषकों से कुल कितनी भूमि ली गई थी ;

(ख) उनको कितना मुआवजा दिया गया ;

(ग) अब तक कितने कृषकों को मुआवजा दिया जा चुका है ;

(घ) कितने कृषकों को बिलकुल मुआवजा नहीं दिया गया ; और

(ङ) उन कृषकों को मुआवजा देने में दंर होने के क्या कारण है और उसका भुगतान कब तक कर दिया जायेगा ?

संचार मंत्रालय में मंत्री (श्री राज बहादुर) : (क) १३४·२३ एकड़ ।

(ख) किसानों से तो १३४.२३ एकड़ भूमि ले ली गई थी उसके बदले में राजस्थान सरकार ने दूसरी भूमि देकर भूमि का मुआवजा पूरा कर दिया है । इसके अतिरिक्त संपत्ति और खड़ी फ़सल के लिए उन्हें ४०५९ रुपये की नगद भुगतान भी की गई है ।

(ग) ५१ को ।

(घ) एक भी ऐसा कृषक नहीं जिसको मुआवजा न दिया गया हो ।

(ङ) प्रश्न ही नहीं उठता ।

Public Call and Telegraph Offices, PEPSU

1125. Shri Ram Krishan : Will the Minister of **Communications** be pleased to refer to the reply given to Unstarred Question No. 878 on the 11th April, 1956 and state :

(a) whether the scheme for location of nine Public Call Offices and opening of four Telegraph Offices in PEPSU during the 1956-57 has been finalised; and

(b) if so, the details thereof ?

The Minister in the Ministry of Comunications) (Shri Raj Bahadur) : (a) and (b), *Public Call Offices*:

1. Shiana	Already opened
2. Dujana	Proposals sanctioned
3. Bhadaur	
4. Ukalana	
5. Madlanda	
6. Bhowanikhera	

Other proposals under examination.

Telegraph Offices :

1. Sanaur	Sanctioned
2. Bhydaur	
3. Lehragaga	

More proposals under examination.

Public Call Offices

1126. Shri Jhulan Sinha : Will the Minister of **Communications** be pleased to state:

(a) the number of public call offices on each of the different regional Railways as on the 31st March, 1956; and

(b) the expenditure on their maintenance as also the returns therefrom for 1955-56?

The Minister in the Ministry of Communications (Shri Raj Bahadur) : (a) A statement giving the required information is placed on the Table of the Lok Sabha. [*See* Appendix IX, Annexure No. 42].

(b) (*i*) The expenditure on maintenance of Public Call Offices on the premises of various regional railways is very small and ranges from about Rs. 100/- to about Rs. 300/- annually.

(*ii*) The estimated revenue from Railway Public Call Offices is Rs. 1,98,595.

Railway Passenger Amenities

1127. Shri Jhulan Sinha : Will the Minister of **Railways** be pleased to state:

(a) the approximate expenditure over the staff meant for supervision and maintenance in good order of the provisions made on the N.E. Railway for passenger amenities during the last two years 1954-55 and 1955-56; and

(*b*) the number of complaints recorded in the complaint books or received otherwise in respect of the said amenities during those two years as compared to those received during the previous two years on the same subject?

The Minister of Railways and Transport (Shri Alagesan) : (*a*)

1954-55 .	Rs. 12,84,600
1955-56 .	Rs. 14,27,700

(b)

1952-53 . .	359 Complaints
1953-54 . .	365 ,,
1954-55 . .	503 ,,
1955-56 . .	487 ,,

Amritsar and Jullundur Stations

1128. Shri D. C. Sharma : Will the Minister of **Railways** be pleased to state the date on which the installation of megaphones at Amritsar and Jullundur Railway Stations, will be completed ?

The Deputy Minister of Railways and Transport (Shri Alagesan) : Loudspeakers are already installed at the stations referred to. Further, it is proposed to replace the existing equipment by equipment of the latest type and also to increase the number of loudspeakers and this work is expected to be completed by the end of March, 1957.

Storm Warnings

1129. Shri Krishnahcharya Will the Minister of **Communications** be pleased to state:

(a) the number of warnings against dust storms and thunder storms over Delhi and neighbourhood for the safety of aviation, issued during 1955; and

(b) the main meteorological services rendered during the same period?

The Minister in the Ministry of Communications (Shri Raj Bahadur) : (a) 109.

(b) As in previous years, the main meteorological services rendered by the India Meteorological Department during 1955 consisted in the issue of forecasts and warnings for aviation interests, shipping and ports, public works authorities, railways, river valley and irrigation authorities etc. besides farmers agriculturists and the general public.

The Main Meteorological Office at Safdarjung Airport, New Delhi, supplied aviation forecasts and warnings for civil air services, flying club pilots and other fliers using the Safdarjung aerodrome and issued directives to the Meteorological Offices at Allahabad, Jodhpur and Lucknow for the issue of forecasts and warnings. It kept continuous watch on the development of weather in the Delhi Flight Information Region and issued warnings of adverse weather phenomena for the benefit of aircraft in flight. It issued the Regional Daily Weather Reports, Telegraphic Weather Summary, heavy rainfall warnings as also Farmers' Weather Bulletins covering the region comprising of Uttar Pradesh, Punjab, Himachal Pradesh, Rajasthan, Jammu and Kashmir, PEPSU, Delhi and Ajmer States. This office continued to be responsible for broadcast of meteorological synoptic observations and storm warnings through the Sub-continental Broadcast Centre at Delhi. Special bulletins were broadcast through the All India Radio for the use of certain Himalayan Expeditions.

रिक्शों पर प्रतिबन्ध

११३०. **श्री वाल्मीकी** : क्या श्रम मंत्री २६ मार्च, १६५६ के तारांकित प्रश्न ६८७ के उत्तर के सम्बन्ध में बताने की कृपा करेंगे कि :

(क) मूल रूप से रिक्शा चलाने में लगे व्यक्तियों को अन्य कार्यों में लगाने के लिए सरकार क्या कार्यवाही करने का विचार कर रही है; और

(ख) इस कार्य में कल कितने व्यक्ति लगे हैं ?

श्रम उपमंत्री (श्री आबिद अली): (क) राज्य सरकारों से जो उत्तर मिले हैं उनसे यह मालूम हुआ है कि अधिकतर राज्यों का इस सम्बन्ध में कोई खास कार्यवाही करने का विचार नहीं है। रिक्शा चलाना धीरे धीरे बन्द किया जायेगा, इसलिए बहुत से राज्यों का ख़याल है कि रिक्शा चलाने वाले अपने आप ही दूसरे कामों में लग जायेंगे।

(ख) लगभग एक लाख पच्चीस हजार।

Shuttle Train Services

1131. **Shri Bheekha Bhai** : Will the Minister of **Railways** be pleased to state :

(a) whether Government have examined the proposal for running a shuttle train between (*i*) Chittorgarh and Udaipur, (*ii*) Chittorgarh and Neemuch and (*iii*) Chittorgarh and Bhilwara of Western Railway; and

(b) whether it is a fact that the proposal, if commercially examined, will be profitable?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) (*i*) to (*iii*) No.

(b) No. The existing train services are considered adequate for the traffic offering.

Shipping

1132. **Shri Krishnacharya Joshi** : Will the Minister of **Transport** be pleased to state :

(a) whether complete figures of tonnage of cargo moved by the Indian Shipping Companies round the coast for the year ending 31 December, 1955 have been received; and

(b) if so, the total tonnage?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) Yes.

(b) 25,55,180 tons.

रेलवे दुर्घटना

११३३. **श्री रघुनाथ सिंह** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सोमवार, २ जुलाई, १९५६ को सशस्त्र पुलिस के दो जवान, श्री नित्यानन्द विश्वास और श्री भूपालसिंह जबकि वह ड्यूटी पर थे, हावड़ा से बारह मील की दूरी पर आबदा और संकरेल स्टेशनों के बीच एक पाइलट गाड़ी से टकरा गये और उनकी लाशें एक मील तक घिसटती चली गई; और

(ख) यदि हां, तो दुर्घटना का कारण क्या है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेसन) : (क) २-७-१९५६ को रात के लगभग ११ बजकर २२ मिनट पर जब डाउन बाउरिया-संतरागाछी पाइलट माल-गाड़ी दक्षिण-पूर्व रेलवे के हावड़ा-खड़गपुर सेक्शन पर श्रावदा और संकरेल स्टेशनों के बीच आ रही थी, तो पुलिस के दो सिपाही सर्वश्री भूपालसिंह और नित्यानन्द बिश्वास १०/७-८ और ९/२७ मील के बीच गाड़ी के इंजन से ठोकर खाकर गिर पड़े। इनमें से पहला सिपाही एक मील तक घसिटता चला गया और संकरेल स्टेशन यार्ड में मरा हुआ पाया गया। दूसरा सिपाही श्रावदा स्टेशन के डाउन एडवान्स स्टार्टर के पास बुरी तरह घायल पाया गया।

(ख) अप्रत्यक्ष प्रमाण के आधार पर रेलवे के अफसरों ने दुर्घटना का कारण यह ठहराया है कि शायद दोनों सिपाही जब डाउन लाइन पर गश्त लगाते हुए आ रहे थे तो पाइलट इंजन से ठोकर खा कर गिर गये।

मनोहराबाद के निकट मालगाड़ी के डिब्बे का पटरी से उतरना

११३४. **श्री रघुनाथ सिंह** : क्या रेलवे मंत्री यह बताने की यह कृपा करेंगे कि :

(क) क्या यह सच है कि ११ जुलाई, १९५६ को सिकन्दराबाद-मनमाड छोटी लाइन पर मनोहराबाद और मेडचल स्टेशनों के बीच एक मालगाड़ी के १७ डिब्बे पटरी से उतर कर उलट गये; और

(ख) यदि हां, तो दुर्घटना का कारण क्या था ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेसन) : (क) ११-७-५६ को सुबह लगभग २ बजकर २५ मिनट पर जब ८०८ अप मालगाड़ी मध्य रेलवे के निजामाबाद-सिकन्दराबाद मीटर लाइन सेक्शन पर मनोहराबाद-मेडचल स्टेशनों के बीच आ रही थी, तो ३६६४/५ मील पर उसके १७ डिब्बे पटरी से उतर कर उलट गये।

(ख) दुर्घटना के कारण की जांच की जा रही है।

Waiting Rooms and Halls

1135. { **Sardar Iqbal Singh :**
Sardar Akarpuri :

Will the Minister of **Railways** be pleased to state :

(a) whether there is any proposal to construct more waiting rooms and waiting halls on the various Railways during the Second Five Year Plan;

(b) if so, the main features of this proposal; and

(c) the cost thereof?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) Yes.

(b) Mainly these are provisions of new waiting halls and waiting rooms, and extensions or improvements of existing ones.

(c) The information is being collected and will be laid on the Table of the House.

Production of Cotton

1136. { **Sardar Iqbal Singh :**
Sardar Akarpuri :

Will the Minister of **Food and Agriculture** be pleased to state :

(a) the total amount of loans and grants under the scheme for increased production of cotton, sanctioned to Punjab PEPSU during 1955-56 and proposed to be sanctioned for 1956-57;

(b) whether the grants and loans for the year 1955-56 have been fully utilised; and

(c) if not, the reasons therefor?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) No loans were asked for by Punjab and PEPSU State Governments from the Central Government during 1955-56. Requests for loans during 1956-57 have also not been received so far.

The grants sanctioned to these States during 1955-56 and 1956-57 are as under :

	1955-56	1956-57
	Rs.	Rs.
Punjab . .	1,21,429	1,63,600
PEPSU . .	63,650	52,889

(b) No.

(c) (1) *Punjab* : The total amount utilised during 1955-56 was Rs. 38,776. The saving of Rs. 82,653 was due to the following reasons :

(*i*) Some posts remained vacant.

(*ii*) Losses on the distribution of cotton seeds were not incurred;

(*iii*) No money was spent on Pest Control Measures and Fumigation of cotton seeds; and

(*iv*) Economy in the contingent expenditure.

(2) *PEPSU* : The total amount utilised during 1955-56 was Rs. 49,507. The saving of Rs. 14,143 was due to the fact that no amount was spent on Pest Control Measures.

Indo-Pak Passenger Traffic

1137. { **Sardar Iqbal Singh :**
Sardar Akarpuri :

Will the Minister of **Railways** be pleased to state :

(a) the number of passengers who travelled by the Rail Routes open between India and Pakistan during 1955 from :—

(*i*) Pakistan to India, and

(*ii*) India to Pakistan;

(b) the names of the Rail Routes that are open between India and Pakistan; and

(c) the mount of earnings from these routes?

The Deputy Minister of Railways and Transport (Shri Alagesan) : (a) (*i*) 8,36,952.

(*ii*) 9,81,510.

(b) and (c). A statement is laid on the Table of the House. [*See* Appendix IX, Annexure No. 43].

'Grow More Food' Campaign

1138. { **Sardar Iqbal Singh :**
Sardar Akarpuri :

Will the Minister of **Food and Agriculture** be pleased to state :

(a) the total amount of grants given to Punjab during 1955-56 under the 'Grow More Food' Campaign; and

(b) the main items of this scheme and the expenditure incurred over them during the same period?

The Minister of Food and Agriculture (Shri A. P. Jain) : (a) and (b).

(Rs. in lakhs)

Name of the scheme	Sanctioned amount	Expenditure incurred as so far adjust by A.G. Punjab
1. Minor irrigation scheme	4·77	0·07
2. Construction of drains to check water logging	2·50	1·61
3. Mechanical cultivation	3·63	N.R.†
4. Distribution of superphosphate	1·52	N.R.†
5. Compost scheme	0·07	0·07
6. Intensive cultivation	0·27	0·27
7. Additional district staff	0·06	0·01
8. G.M.F. staff for F.C.'s office	0·11	0·10
9. Crop competition	0·06	0·06
10. Scheme for destroying field rats and jackals.	0·35	0·27
TOTAL	13·34	2·46

†N. R. Not reported.

Public Call Offices, Punjab

1139. { **Sardar Iqbal Singh:**
Sardar Akarpuri:

Will the Minister of **Communications** be pleased to state:

(a) the names of places where Public Call Offices are to be provided in Punjab during the current year; and

(b) the basis on which sites for Public Call Offices are selected?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) Public Call Offices already opened during 1956-57:

1. Urmar.
2. Una
3. Nurpur.

Public Call Offices sanctioned and expected to be opened during this year, subject to materials becoming available in time:

1. Anajmandi
2. Kukarpind
3. Adampur.
4. Bawarna
5. Thural

6. Hamirpur
7. Rurkakalan
8. Bharwain
9. Machchiwara
10. Mubarakpur
11. Narela
12. Mustafabad

Proposals relating to some more stations are under examination.

(b) Public Call Offices are provided at District Headquarter towns irrespective of the loss involved, and at Subdivisional headquarter towns on limited loss basis. At other places, Public Call Offices are sanctioned if they do not involve any loss to the Department.

Railway Bridges in Punjab and PEPSU

1140. **Sardar Iqbal Singh:**
Sardar Akarpuri:

Will the Minister of **Railways** be pleased to state:

(a) whether the Governments of Punjab and PEPSU have sent any proposal to the Central Government for constructing railway-bridges or crossings in Punjab and PEPSU;

(b) if so, the date by which final decision would be taken ; and

(c) the number of such places in Punjab and PEPSU where bridges would be constructed?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) The construction of bridges and crossings depends *inter alia* upon the receipt of acceptance of the P.W.D. concerned for the payment of their share of costs. As this sometimes takes time a definite date cannot be specified at this stage.

(c) Normally such information is available railwaywise only. However, it has been ascertained that Governments of Punjab and PEPSU have sent proposals for constructing railway road over/under bridges near the following places:—

Punjab: Jullundur City
Ludhiana
Dhilwan
Hissar
Rewari &
Ambala.

PEPSU: Cheheru
Rajpura &
At mile 28/66 on Kalka-Simla Section.

Poultry Farming

1141. Shri Bheekha Bhai: Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Government have assessed the possibilities of developing poultry farming in scheduled areas by tribal people;

(b) if not, whether Government will examine the proposal; and

(c) whether Government propose to train up tribal people in poultry farming?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). State Governments generally sponsor such schemes. A number of such schemes have been received and sanctioned.

(c) The All India Poultry Development Scheme for the Second Five Year Plan provides for training of poultry owners and the facility will be available to tribal people also.

Telegraph Facilities to Dungarpur Village

1142. Shri Bheekha Bhai: Will the Minister of **Communications** be pleased to state:

(a) whether it is a fact that a representation has been sent by people of Simalwara in Dungarpur District in Rajasthan that their village has been refused telegraph facilities; and

(b) if so, the action taken in regard to the representation?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) and (b). The proposal is under consideration.

Estimates Committee's Recommendation on Railways

1143. Shri Kajrolkar: Will the Minister of **Railways** be pleased to state:

(a) what was the basis for the making of estimates of gross earnings at the time of making traffic surveys of new lines which have been approved for the Second Five Year Plan;

(b) whether Government propose to revise the list of such new lines with reference to potential traffic earnings estimated under the revised formula known as the Line's formula in view of the recommendation contained in paragraph 206 of the Twenty-sixth Report of the Estimates Committee; and

(c) if so, whether such revision will affect the construction of the Diva Dasgaon Railway?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Except in the case of Noamundi-Banspani project, traffic surveys of the lines included in the Second Five Year Plan have either not yet been undertaken or are still in progress. In the case of Noamundi-Banspani project, the coaching earnings have been estimated on the basic principles underlying the Line's formula while goods earnings have been estimated on the basis of likely exports from or imports into the area to be served by the projected line.

(b) No. The list has been drawn up on consideration of operational needs. Potential traffic earnings are even now being estimated on the basic principles underlying Line's Formula.

(c) In the case of Diva-Dasgaon, potentional coaching earnings had been estimated on the basic principles underlying Line's Formula. The question of revision, therefore, does not arise.

पर्यटन

११४४. **श्री रघुनाथ सिंह :** क्या परिवहन मंत्री यह बताने की कृपा करेंगे कि पर्यटन को प्रोत्साहित करने की दृष्टि से क्या सरकार भारत की नदियों और पर्वतीय दृश्यों को दिखाने के लिये पथ-प्रदर्शकों (गाइडों) का प्रबन्ध करने वाली है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन): शिमला, दार्जिलिंग, और उटकमंड के पहाड़ी स्थानों में जहां कि विदेशी पर्यटक सैर के लिए जाते हैं, वहां पर भारत सरकार ने पर्यटक सूचना दफ्तर (Tourist Information Offices) खोल दिये हैं। इन स्थानों में गाइडों के लिए प्रशिक्षण पाठ्यक्रम (guide training courses) की व्यवस्था का भी विचार किया गया है।

Upgrading of Posts of Station Masters

1145. **Shri Sanganna:** Will the Minister of **Railways** be pleased to refer to the reply given to Unstarred Question No. 2213 on the 18th May, 1956 and state:

(a) whether any decision regarding upgrading seven posts of Station Masters on the South-Eastern Railway has since been taken; and

(b) if so, what it is?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The matter is still under examination.

Unnatural Deaths in Agartala

1146. **Shri Biren Dutt:**
Shri Dasaratha Deb:

Will the Minister of **Health** be pleased to state:

(a) on how many unnatural death cases was *post mortem* done in Victoria Hospital, Agartala-Tripura in the month of July, 1956;

(b) how many cases were recorded as suicide deaths; and

(c) how many cases of other types of unnatural deaths have been recorded during the same period?

The Minister of Health (Rajkumari Amrit Kaur): (a) Eight.

(b) Six.

(c) Two.

Mahindrughat

1147. **Thakur Jugal Kishore Sinha:**
Shri Asthana:
Babu Ramnarayan Singh:

Will the Minister of **Railways** be pleased to state the steps so far taken for shifting the present Mahindrughat Station and to equip it with modern amenities?

The Deputy Minister of Railways and Transport (Shri Alagesan): Steps have been taken to acquire the land for shifting the station. Construction of the Station building with modern amenities will be undertaken after the land is acquired.

Railway Time Tables

1148. **Thakur Jugal Kishore Sinha:**
Babu Ramnarayan Singh:
Shri Asthana:

Will the Minister of **Railways** be pleased to state the reasons why the abstract timings as shown in the working time-table are not reproduced in the edition of the public time table in North-Eastern Railway?

The Deputy Minister of Railways and Transport (Shri Alagesan): Abstract timings of all long distance mail, express and passenger trains running on the trunk and main lines of the North Eastern Railway appearing in the Working Time Tables are also shown in the Public Time Table.

भूतपूर्व बीकानेर स्टेट रेलवे के टी० टी० ई०

११४९. **श्री प० ला० बारूपाल** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भूतपूर्व बीकानेर स्टेट रेलवे पर टी० टी० ई० को रनिंग स्टाफ माना जाता था; और

(ख) यदि हां, तो अब उनको इसी श्रेणी में रखने में क्या कठिनाइयां हैं ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन): (क) जी हां ।

(ख) गाड़ी टिकट परीक्षकों (Travelling Ticket Examiners) को किसी भी रेलवे में रनिंग स्टाफ नहीं माना जाता, क्यों कि चलती गाड़ियों के काम से उनके काम का सीधा सम्बन्ध नहीं है ।

भूतपूर्व बीकानेर स्टेट रेलवे के कर्मचारियों के लिये क्वार्टर

११५०. **श्री प० ला० बारूपाल** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि रेलवे बोर्ड के निर्णय के अनुसार भतपूर्व बीकानेर स्टेट रेलवे के कर्मचारियों को १ अप्रैल, १९५० को क्वार्टर दिये गये थे और उन्हें किराये की छूट भी दी गई थी ; और

(ख) क्या पदोन्नति अथवा स्थानान्तरण के पश्चात् उनको इस सुविधा से वंचित कर दिया गया है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन): (क) तथा (ख). मैं माननीय सदस्य का ध्यान उनके २४-८-५६ के अतारांकित प्रश्न ६२४ के उत्तर की ओर दिलाना चाहता हूं ।

भूतपूर्व बीकानेर स्टेट रेलवे के टी० टी० ई० वर्ग के लिये क्वार्टर

११५१. **श्री प० ला० बारूपाल** : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) बीकानेर डिवीजन के भूतपूर्व बीकानेर स्टेट रेलवे भाग के लिये १९५२-५३ मे १९५५-५६ तक कितने क्वार्टर बनाये गये और उनमें से कितने क्वार्टर टी० टी० ई० वर्ग के लिये दिये गये और ;

(ख) क्वार्टर देने में टी० टी० ई० वर्ग को प्राथमिकता न दिये जाने के क्या कारण हैं ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) ८३६ क्वार्टर बनाये गये जिनमें से ३० गाड़ी टिकट परीक्षकों (Travelling Ticket Examiners) को दे दिये गये ।

(ख) क्वार्टर देने के लिये गाड़ी टिकट परीक्षक अनिवार्य कर्मचारियों (essential staff) के वर्ग (category) में नहीं आते ।

Mandya Station

1152. **Shri Madiah Gowda:** Will the Minister of **Railways** be pleased to state:

(a) the volume of traffic at Mandya Railway Station at present;

(b) whether there is any proposal to replace the present Railway Station building at Mandya; and

(c) if so, when and at what cost?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The average number of passengers booked at this station per annum is about 4,65,000 and the total goods traffic (both inward and outward) handled at the station per annum is about 24,36,000 maunds.

(b) and (c). There is no proposal to replace the station building. It is, however, proposed to extend the III class waiting hall, and provide additional seats

in the latrines and benches on the platform at an estimated cost of Rs. 29,300/-. These proposals are under examination.

Bhubaneswar Station

1153. **Shri Sanganna**: Will the Minister of **Railways** be pleased to state:

(a) whether any representation has been received from the Government of Orissa for increasing the halting times of Up and Down trains at the Bhubaneswar (New Capital) Station; and

(b) if so, with what results?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A suggestion was received from the Orissa Government for increasing the duration of the halts of Howrah-Madras Mail and Howrah-Puri Express trains at Bhubaneswar station.

(b) The duration of the existing halts of these trains at Bhubaneswar is considered sufficient for the traffic dealt with at this station by these trains.

Zawar Mines

1154. { **Shri Bheekha Bhai**:
Shri Balwant Sinha Mehta:

Will the Minister of **Labour** be pleased to state:

(a) whether it is a fact that mine labourers in Zawar Mines have given strike notice for not conceding to their demands by management;

(b) whether Government have instituted any enquiry into the legitimate demands of labour; and

(c) whether Government have sent any representative to settle the dispute between labour and management?

The Deputy Minister of Labour (Shri Abid Ali): (a) Yes. One of the two Unions *viz.*, Zawar Mines Mazdoor Sangh served a strike notice.

(b) Yes.

(c) The Central Government Conciliation Officer visited the mines and tried to bring about a settlement. The strike was called off and work resumed on the 23rd August, 1956.

Health Sample Survey in Community Projects

1155. **Shri Bheekha Bhai**: Will the Minister of **Health** be pleased to state:

(a) how many States have been surveyed by the Health Sample Survey party in Community Project areas; and

(b) whether it is a fact that in some States the progress of their survey work is held up for want of transport?

The Minister of Health (Rajkumari Amrit Kaur): (a) Health Survey in one Development Block in each of the States of West Bengal and Madhya Bharat has been completed. The survey in the Dungarpur Community Development Block in Rajasthan is nearing completion.

(b) No.

रतलाम नगर को पानी का संभरण

११५६. **श्री अमर सिंह डामर** : क्या रेलवेमंत्री यह बताने की कृपा करेंगे कि :

(क) पाइपों द्वारा रतलाम को पानी का संभरण करने के बारे में क्या रेलवे बोर्ड और मध्य भारत सरकार के बीच कोई समझौता हुआ है ; और

(ख) यदि हां, तो किन किन शर्तों पर ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन): (क) अभी कोई समझौता नहीं हुआ है । इस प्रश्न पर उस समय पर विचार किया जायेगा जब कभी मध्य भारत सरकार रतलाम शहर में अधिक पानी पहुंचाने की अपनी योजना को पूरा करके चालू करेगी ।

(ख) सवाल नहीं उठता ।

Mobile Medical Centre, Shantirbazar, Belonia (Tripura)

1157. **Shri Dasaratha Deb**: Will the Minister of **Health** be pleased to state:

(a) whether any Mobile Medical Centre has been established at Shantirbazar in Belonia (Tripura).

(b) if so, when that centre was established; and

(c) the number of staff of such unit?

The Minister of Health (Rajkumari Amrit Kaur): (a) Yes.

(b) 30th April, 1 56.

(c) The sanctioned staff strength of the Centre is as below:—

Civil Assistant Surgeon, Grade I . .	1
Compounder	1
Sanitary Inspector	1
Driver	1
Class IV Staff .	1

Dhing-Morigaon Railway Line

1158. **Shri Debendra Nath Sarma:** Will the Minister of **Railways** be pleased to state whether there is any proposal for the extension of Railway lines beyond Dhing-Morigaon in the North-Eastern Railway ?

The Deputy Minister of Railways and Transport (Shri Alagesan): No. There is no such proposal.

Calcutta Suburban Electric Trains

1159. **Shri N. B. Chowdhury:** Will the Minister of **Railways** be pleased to state:

(a) whether it is a fact that a target date of June, 1957 has been fixed for running the first electric train in the suburb of Calcutta; and

(b) when electric trains are likely to start running between Calcutta and Kalyani?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes. This is on the assumption that electric locomotives on order are delivered according to schedule and there is no unforeseen delay in putting these into service.

(b) It is too early to give an exact forecast, but plans are in hand to run the first electric train by about the end of 1959.

Railway Road at Saharsa Junction Station

1160. **Shri L. N. Mishra:** Will the Minister of **Railways** be pleased to state:

(a) whether any representation has been made to Government to improve the railway road running west of Saharsa Junction Station (North-Eastern Railway) in Bihar; and

(b) if so, the position of the same?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) Necessary action to repair the road is being taken.

Saharsa Station

1161. **Shri L. N. Mishra:** Will the Minister of **Railways** be pleased to State:

(a) whether there is any proposal to provide one additional station or halt on the North of Saharsa Station North-Eastern Railway in Bihar; and

(b) if so, the position of the same?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A proposal to this effect was received.

(b) The proposal was not accepted as investigations made have revealed that the volume of passenger traffic expected to be dealt with at the proposed station does not justify the provision of even a contractor-operated halt.

Distribution of Paddy Seeds in Tripura

1162. **Shri Dasaratha Deb:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the amount of seed paddy in maunds, if any, distributed to cultivators of Tripura at subsidised rate from Government in 1956;

(b) the amount of seed paddy distributed free of cost in 1956; and

(c) the number of persons, who received seed paddy at subsidised rates and also the number of persons who received the same free of cost?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) According to the reports received so far 879 maunds 27 seers of paddy seeds have been distributed to cultivators at subsidized rate.

(b) Nil.

(c) Information about the number of persons who received seed paddy at subsidised rates is being collected from the outlying sub-divisions of Tripura. The question regarding the number of persons who received the seed free of cost does not arise.

Delhi Slum Clearance

1163. **Shri Bheekha Bhai:** Will the Minister of **health** be pleased to state the financial provision made for slum clearance in Delhi in the Second Five Year Plan?

The Minister of Health (Rajkumari Amrit Kaur): A provision of Rs. 20 crores has been made by the Ministry of

Works, Housing and Supply in the Centre's Second Five Year Plan for giving assistance to States for their Slum Clearance Schemes. No provision has been made in the Second Five year Plan Separately for Delhi State.

Freight Surcharge on Goods

1164. **Shri Shree Narayan Das** : Will the Minister of **Railways** be pleased to state :

(a) the number and nature of goods that have been exempted from the freight surcharge levied during the current financial year;

(b) whether it is a fact that a freight surcharge is charged on foodgrains despatched from stations of Darbhanga-Jainager Branch of the N. E. Railway; and

(c) if so, the rate of such surcharge?

The Deputy Minister of Railway and Transport (Shri Alagesan) : (a) Seven Commodities have been exempted from the levy of supplementary charge. These are grains and pulses, fodder, manures, khadi, newspapers, news-print and books.

(b) and (c). Through mistake supplementary charge at the rate of one anna in the rupee of total freight was charged on foodgrains by staff at Madhubani and Rajnagar stations on Darbhanga-Jainagar Branch of the N. E. Railway. The mistake has since been rectified.

Brahmapatnam Scheme

1165. **Dr. Rama Rao**: Will the Minister of **Transport** be pleased to state:

(a) whether the Andhra Government have requested the Central Government about the inclusion of a proposal for the investigation of Brahmapatnam Scheme (East Godavari) in the Second Five Year Plan;

(b) what is the decision of Government; and

(c) what is the estimated cost for investigation?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) It has not been found possible to include the Scheme in the Second Five Year Plan.

(c) Rs. 1·75 lakhs.

Wagon Supply on N. E. Railway

1166. **Shri L. N. Mishra**: Will the Minister of **Railways** be pleased to refer to the reply given to Starred Question No. 1375 on the 11th April, 1956 and state:

(a) whether any special effort has been made for supply of wagons to North Eastern Railway specially for transport of Jute from Purnea, Darbhanga and Saharsa districts of Bihar to Calcutta; and

(b) if so, the nature of the same?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Yes. During January to August, 56, a total of 20,104 wagons of Jute have been booked to Calcutta from Katihar, Samastipur and Sonepore Districts of North Eastern Railway, in which the civil districts of Purnea, Darbhanga and Saharsa fall, as against 12,376 wagons during January to August, 55.

रतलाम का सार्वजनिक टेलीफोन

११६७. **श्री राधे लाल व्यास** : क्या संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि मध्य भारत में आलोट (जिला रतलाम) के निवासी १९५२ से यह मांग कर रहे हैं कि वहां एक सार्वजनिक टेलीफोन की स्थापना की जाये ; और

(ख) यदि हां, तो अभी तक वहां सार्वजनिक टेलीफोन स्थापित न करने के क्या कारण हैं और इसके कब तक स्थापित हो जाने की आशा है ?

संचार मंत्रालय में मंत्री (श्री राज बहादुर) : (क) तथा (ख). इस प्रस्ताव के अनुसार आलोट से रतलाम तक ताम्बे के तार लगाये जाने हैं । चूंकि इस कार्य में भारी लागत आती है, अत: इस विभाग को इससे हानि होने की संभावना है । इस कारण से इस प्रस्ताव की मंजूरी अभी तक नहीं दी जा सकी है ।

सार्वजनिक टेलीफोन, महीदपुर

११६८. **श्री राधे लाल व्यास** : क्या संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या महीदपुर नगर (जिला उज्जैन, मध्य भारत) में एक सार्वजनिक

टेलीफोन स्थापित करने की योजना तैयार हो गई है; और

(ख) यदि हां, तो कब तक उसके स्थापित हो जाने की आशा है ?

संचार मंत्रालय में मंत्री (श्री राज बहादुर) : (क) तथा (ख) . चूंकि इस प्रस्ताव से विभाग को हानि उठानी पड़ती है. अतः इसकी मंजरी नहीं दी गयी है ।

Telegraph Offices, Rayalaseema

1169. **Shri Lakshmayya:** Will the Minister of **Communications** be pleased to state :

(a) the number of Telegraph offices that have been opened in Rayalaseema area during the First Five Year Plan;

(b) whether there was any representation from the people of Yadiki village in Anantapur District of Andhra State for opening a telegraph office in that village; and

(c) if so, whether Government have decided to install it, in view of the increasing trade and expansion of the village of yadiki into a town?

The Minister in the Ministry of Commucations (Shri Raj Bahadur): (a) 11.

(b) and (c). The proposal has already been sanctioned.

Experimental Post Offices

1170. **Shri Lakshmayya:** Will the Minister of **Communications** be pleased to state:

(a) whether the experimental post offices have been opened in the villages of Mulakanoor, Muddinayanipalli, Chapiri and Garuda Chedev of Anantapur District in Andhra State as per the representation of people of the areas;

(b) the number of new post offices which have been opened in Anantapur District during the First Five Year Plan period; and

(c) whether there is any plan, contemplated to open post offices at every polling station to develop Communications in Rayalaseema in view of its backwardness irrespective of the population requisite to install a post office according to the Government plan?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) The post offices at these places were opened in implementation of the policy followed during the First Five Year Plan period A representation in respect of Chapiri onl was received from the local public.

(b) 133 new post offices were opened in Anantapur District during the First Five Year Plan period.

(c) No; however, the villages where polling stations were situated during the last General Eelections are given preference in the matter of locating new post offices, if other conditions prescribed for opening new post offices are satisfied.

Central Training Establishment

1171. **Shri Krishnacharya Joshi:** Will the Minister of **Communications be** pleased to state:

(a) whether any steps have been taken to start a Central Training Establishment for giving a uniform standard of flying training; and

(b) if so, the location of the Centre and the number of trainees likely to receive training every year?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (a) and (b). No progress has been made by the Indian Airlines Corporation in regard to the starting of a Central Training Establishment for giving a uniform standard of flying training, as there is an acute shortage of pilots and the establishment of a Central Training Organisation will mean immobilisation of a number of pilots at a place away from the base of operations. The Corporation will be in a position to start the Central Training Establishment only when the strength of pilots is in excess of the minimum operational needs. No decision has been arrived at regarding the location of the proposed Central Training Organisation.

Co-operative Training Centres

1172. **Shri Krishnacharya Joshi:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total amount of grant sanctioned during the current year so far for subsidising the Co-operative Training Centres started by the State Governments; and

(b) the names of States which have received grants?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Rs. 6,14,911/-.

(b) Madhya Pradesh, Hyderabad, Uttar Pradesh, Saurashtra, Madras, Vindhya Pradesh, Bihar, Travancore-Cochin, Manipur, Bombay, Madyha Bhart, Punjab, Andhra and Himachal Pradesh.

Co-operative Farming

1173. **Shri Hem Raj:** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Unstarred Question No. 887 on the 11th April, 1956 and state the number of Co-operative farms started State-wise, the number which proved successful and the number which failed State-wise?

The Minister of Food and Agriculture (Shri A. P. Jain): A statement showing the number of Co-operative Farms in the Country State-wise is laid on Table of the House. [*See* Appendix IX, annexure No. 44].

As a result of survey of some farms it has been found that some farms are doing badly, others are experiencing difficulties and a few are doing quite well. Exact figures are not available.

Airmindedness

1174. **Shri Krishnacharya Joshi:** Will the Minister of **Communications** be pleased to state the names of the institutions which received grants during 1955-56 for spreading airmindedness among the youth of the country?

The Minister in the Ministry of Communications (Shri Raj Bahadur): (1). The Delhi Flying Club, New Delhi.

2. The Madras Flying Club, Ltd. Madras.

3. The Bombay Flying Club Ltd Bombay.

4. The Bengal Flying Club Ltd. Barrackpore.

5. The Hind Provincial Flying Club Ltd., Lucknow.

6. The Bihar Flying Club Ltd., Patna.

7. The Orissa Flying Club Ltd., Bhubaneswar.

8. The Madhya Pradesh Flying Club Ltd. Nagpur.

9. The Northern India Flying Club Ltd. Jullundur.

10. The Madhya Bharat Flying Club Ltd. Indore.

11. The Rajasthan Flying Club Ltd. Jaipur.

12. Government Flying Training School, Bangalore.

13. Aero Club of India, New Delhi.

14. Delhi Gliding Club, New Delhi.

15. All India Aeromodellers Association Calcutta.

DAILY DIGEST

[*Thursday, 30th August, 1956*]

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1574.	National Highway .	1871-72
1575.	Electrification Rayagada Station . .	1872
1576.	Ernakulam-Quilon Rail Link . . .	1872-73
1577.	Telephone Exchanges (Bihar) . . .	1873
1578.	Lucknow-Patna Air Service *via* Gorakhpur . . .	1873
1579.	Shipping	1874
1580.	Mustard Oilseeds. .	1874-75
1581.	Indian Shipping Companies. . . .	1875
1583.	Telegraph Facilities between Dungarpur and Aspur. . .	1875
1584.	Australian Trees and Grasses . .	1876
1585.	Indian Council of Medical Research .	1876

U.S.Q. Nos.	*Subject*	*Columns*
1086.	All-India Market News Service. . . .	1876-77
1087.	Mixed Trains . .	1877
1088.	Derailment of Bogies. .	1877-78
1089.	Despatch of Betel Leaves . . .	1878
1090.	Cultivable Fallow Land in Rajasthan . .	1878
1091.	Dhobies Demand. .	1879

DAILY DIGEST

U.S.Q. Nos.	*Subject*	*Columns*
1092.	Train Derailment	1879-80
1093.	Afforestation	1880
1094.	Fisheries	1881
1095.	Fishermen Co-operatives in T. C. State	1881-82
1096.	Fishermen in Travancore-Cochin State	1882-83
1097.	Fishing Boats in T. C. State.	1883
1098.	Fisheries in T. C. State	1883-85
1099.	Trivandrum Medical College (Treatment)	1885
1100.	Students of Trivandrum Medical College	1885
1101.	Post-Graduate Courses in Medicinein Trivandrum Medical College	1885-86
1102.	Nurses	1886
1103.	Grants-in-aid to Vidyasalas	1886
1104.	Dentists in Travancore-Cochin State	1886-87
1105.	Emoluments of Medical Licentiates (Travancore-Cochin)	1887
1106.	Pay of Nurses	1888
1107.	Dental Decay in T. C State	1888
1108.	Child-birth in Travancore-Cochin	1888-89
1109.	Women Doctors in T. C. State	1889
1110.	Nutritional Disorders in T. C. State	1889
1111.	Mal -nutrition among Children in T. C. State.	1889-90
1112.	Trivandrum Medical College	1890
1113.	Water Supply in T. C. State	1890
1114.	Tuberculosis (Travancore-Cochin)	1890-91
15.	Trains on Northern and Western Railways.	1891
1116.	T. B. Beds in Mulan kunnathukavw	1891
1117.	Irrigation Tanks in T. C. State	1892
1118.	Fishing	1892
1119.	Wadge Bank	1892
1120.	Wadge Bank	1892-93
1121.	Fishing Harbours	1893

U.S.Q. Nos.	*Subject*	*Columns*
1122.	Extra Departmental Post Offices.	1893
1123.	Postal Divisions, Rajasthan	1893-94
1124.	Aerodrome, Dabok	1894
1125.	Public Call and Telegraph Offices, Pepsu	1895
1126.	Public Call Offices	1895
1127.	Railway Passenger Amenities	1895 96
1128.	Amritsar and Jullundur Stations	1896
1129.	Storm Warnings	1896-1897
1130.	Ban on Rickshaws	1897
1131.	Shuttle Train Services	1898
1132.	Shipping	1898
1133.	Railway Accident	1898-99
1134.	Wagon-Derailment near Manoharabad	1899-1900
1135.	Waiting Rooms and Halls	1900
1136.	Production of Cotton	1900-01
1137.	Indo-Pak Passanger Traffic	1901
1138.	'Grow More Food' Campaign	1901-02
1139.	Public Call Offices, Punjab	1902-03
1140.	Railway Bridges in Punjab and PEPSU	1903
1141.	Poultry Farming	1904
1142.	Telegraph Facilities to Dungarpur Village	1904
1143.	Estimates Committee's Recommendation on Railways.	1904-05
1144.	Tourism	1905
1145.	Upgrading of Posts of Station Masters	1905-06
1146.	Unnatural Deaths in Agartala	1906
1147.	Mahindrughat	1906
1148.	Railway Time Tables	1906
1149.	Travelling Ticket Examiners in Ex-Bikaner State Railway	1907
1150.	Quarters for ex-Bikaner State Railway Employees	1907
1151.	Quarters for Travelling Ticket Examiners of Ex-Bikaner State Railway.	1908
1152.	Mandya Station	1908-09
1153.	Bhubaneswar Station	1909

DAILY DIGEST

U.S.Q. Nos.	Subject	Colnmns
1154.	Zawar Mines	1909
1155.	Health Sample Survey in Community Projects.	1909-10
1156.	Water Supply to Ratlam Town	1910
1157.	Mobile Medical Centre, Shantirbazar, Belonia (Tripura)	1910-11
1158.	Dhing-Morigaon Railway Line	1911
1159.	Calcutta Suburban Electric Trains	1911
1160.	Railway Road at Saharsa Junction Station	1911
1161.	Saharsa Station	1912
1162.	Distribution of Paddy Seeds in Tripura	1912
1163.	Delhi Slum Clearance	1912-13
1164.	Freight Surcharge on Goods	1913
1165.	Brahmapatnam Scheme	1913
1166.	Wagon Supply on N. E. Railway	1913 14
1167.	Public Call Office, Ratlam	1914
1168.	Public Call Office, Mahidpur	1914-15
1169.	Telegraph Offices, Rayalaseema	1915
1170.	Experimental Post Offices	1915-16
1171.	Central Training Establishment	1916
1172.	Co-operative Training Centres	1916-17
1173.	Co-operative Farming	1917
1174.	Airmindedness	1917-18

LOK SABHA DEBATES

Dated 12.3.2015

(Part II—Proceedings other than Questions and Answers)

LOK SABHA

Thursday, 30th August, 1956

The Lok Sabha met at Eleven of the Clock.

[MR. SPAKER *in the Chair.*]

QUESTIONS AND ANSWERS

(*See part I*)

12 NOON

PAPER LAID ON THE TABLE

AMENDMENTS TO AIR CORPORATIONS RULES

The Minister of Communications (Shri Jagjivan Ram): I beg to lay on the Table, under sub-section (3) of section 44 of the Air Corporations Act, 1953, a copy of the Notification No. 7-CA(11)/55, dated the 26th April, 1956, making certain further amendments to the Air Corporations Rules, 1954. [*Placed in Library. See* No. S-360/56].

Shri T. B. Vittal Rao (Khammam): May I enquire why there is so much delay in laying this notification on the Table, because this notification was issued in April last?

Shri Jagjivan Ram: I am not quite sure whether it was notified in April last.

Mr. Speaker: The notification is dated 26th April 1956. This is mentioned in the agenda itself.

Shri Jagjivan Ram: I cannot say offhand why it was so.

Mr. Speaker: Hereafter hon. Ministers will kindly place all notifications as early as possible after they are issued.

Shri T. B. Vittal Rao: The reason may also be given for this delay.

Mr. Speaker: Very well. He will look into it.

Shri Jagjivan Ram: Yes.

PROGRESS *Re* NATIONALISATION OF INSURANCE

The Minister of Revenue and Civil Expenditure (Shri M. C. Shah): With your permission, Sir, I propose to make a brief statement to indicate to the Members of the House the further progress which has been made in regard to nationalisation of insurance.

Mr. Speaker: It covers more than three pages.

Shri M. C. Shah: There are eight small pages. It will take about five minutes.

Mr. Speaker: Eight pages in five minutes?

Shri M. C. Shah: Because I have had a rehearsal before.

Members will recall that the Life Insurance Corporation Act provided under section 3(1) for the Central Government to stipulate an 'appointed day' on which the Life Insurance Corporation would come into existence. Government have been anxious not to retain in their hands the management of the insurance companies a day longer than was absolutely necessary, for, until the Corporation is formed, no basic change of any kind could be effected. Our efforts, have, therefore, been concentrated during the last few months on completing all the necessary preliminary work to enable us to bring into

[Shri M. C. Shah]

existence the Corporation on the 1st of September and a notification is being issued today to that effect. By another notification issued under section 18(1), the City of Bombay is being notified as the place where the Central office of the Corporation shall be located.

The rules made under section 48(1) have also been published and a copy is being placed on the Table of the House. [*Placed in Library. See* No. S-359/56].

Under section 4(1) of the Act, the Central Government is required to appoint persons not exceeding 15 in number as members of the Corporation. A notification specifying the members appointed to the Corporation is also being issued today. I am placing on the Table of the House a copy of the Annexure to this statement showing the membership of the Corporation and the various zonal and divisional offices of the Corporation.

I would like to take this opportunity to give the House a brief idea of the preliminary work that was necessary to bring the Corporation into being. We had first of all to decide upon the organisation of the Corporation itself. After a careful consideration of all relevant factors, we have decided, to begin with, to establish 33 Divisional Offices and about 180 Branch Offices in the five zonal areas into which for this purpose Parliament had in the Life Insurance Act divided the country. A Divisional Office will, for all practical purposes, be the equivalent of the Head Office of a medium-sized insurance company. The one important difference, of course, will be that it will not be concerned with the investment of the funds. The Branch Office again will have functions substantially different from a Branch Office of such Indian insurance companies. The responsibilities of the Zonal Office have no parallel whatsoever. It was necessary for us to exercise the greatest possible care in the selection of officers for appointment to these responsible positions. It is, of course, the responsibility of the Corporation to make the appointments finally, and so all appointments made are provisional and subject to confirmation by the Corporation. These appointments, however, had to be made to enable the Corporation to commence work immediately. It will be realised that the task of establishing relative seniority, efficiency, a basis for comparison, in short, amongst officers drawn from a large number of different companies—some 250 in all—was not easy and all I can claim is that in making these appointments we have done our best to ensure fair consideration of the claims of every man. I myself have interviewed over a hundred officers. In these interviews, I was assisted by the Secretary, Ministry of Finance, an Officer on Special Duty who was the Controller of Insurance, Shri D. N. Mitra, former Solicitor to the Government of India and now Custodian of the Hindustan Co-operative Insurance Society Ltd. and four other senior officers. For the other posts of officers like Branch Secretaries, etc., tentative selections have already been made by a Committee consisting of the Zonal Managers-designate and a few others.

These selections will be reviewed by the Corporation in the light of the recommendations of the Senior Services Committee of which Shri S. Lall, I.C.S. (Retired) is the Chairman and which commenced its work over a month ago. This Committee will grade all categories of officers. Their grading will be available to the Corporation who will no doubt give full weight to their recommendations before passing final orders. Our great difficulty has been the shortness of time. Not only has these selections to be made within a matter of weeks but officers had also to be posted to various offices all over the country so that they could join their appointments by the 1st September. Simultaneously with this difficult task of reorganisation, we had also to see to it that the servicing of the present policies numbering about 50 lakhs was carried out efficiently and promptly.

The Corporation starts its career under the very best auspices, with the enthusiastic co-operation of all persons connected with it and the good wishes of all sections of the country. I am sure the House will join me in wishing it a brilliant career of service to the nation.

ANNEXURE

1. Shri H. M. Patel will be Chairman of the Corporation in addition to his duties as Secretary to the Ministry of Finance. The other members are

   1. Shri Mohammed Hasham Premji
   2. Prof. D. G. Karve
   3. Shri Dhiren Mitra
   4. Shri S. M. Ramakrishna Rao.
   5. Shri Chakreshwar Kumar Jain.
   6. Shri Vidilal Lallubhai Mehta.
   7. Lala Raghuraj Swarup.
   8. Shri L. K. Jha, I.C.S.
   9. Shri B. K. Kaul, I.C.S.
   10. Shri L. S. Vaidyanathan.
   11. Shri A. Rajagopalan.
   12. Shri K. R. Srinivasan.
   13. Shri V. H. Vora.
   14. Shri D. P. Guzdar.

Five of these members, Sarvashri Vaidyanathan, Rajagopalan, Srinivasan, Vora and Guzdar will be full time employees of the Corporation. Section 20 of the Act provides for the appointment of one or more persons to be Managing Director or Directors of the Corporation. It is being suggested to the Corporation who will take up this question at its first meeting that Sarvashri Vaidyanathan and Rajagopalan may be appointed as Managing Directors and that Sarvashri Srinivasan, Vora and Guzdar may be designated as Executive Directors. It is also expected that the Corporation will establish a convention in terms of which the 3 Executive Directors will not exercise their right to vote.

2. The Zonal and Divisional Offices of the Corporation will be as under:—

	Central Zone	Eastern Zone	Southern Zone	Western Zone	Northern Zone
Zonal Office	Kanpur	Calcutta	Madras	Bombay	Delhi
Divisional offices	Lucknow Agra Banaras Indore Jabalpur	Calcutta Jalpaiguri Asansol Patna Muzzafarpur Jamshedpur Gauhati Cuttack	Bangalore Udipi Madras Coimbatore Mathurai Trivandrum Hyderabad Masulipatam	Bombay Poona Nasik Satara Nagpur Ahmedabad Surat Rajkot	Delhi Jullundur Ambala Ajmer

Shri Bansal (Jhajjar-Rewari): May I request that some time may be allotted to discuss the employment policy affecting the various officers employed in this Corporation? As you are aware we are receiving a large number of representations from a number of employees of insurance companies. I think some time should be given to discuss this important matter.

Mr. Speaker: We are over-full with work.

Shri M. C. Shah: May I say a word? The Corporation is an autonomous body and all these appointments, as I have already stated, are provisional, subject to approval by the Corporation? So this will be a matter of detail and I do not think any useful purpose will be served by discussing the employment problem. The question of the Corporation's policy can be discussed by the House whenever it likes.

Dr. Lanka Sundaram (Visakhapatnam): Is it the position of the Minister that this House cannot discuss the

[Dr. Lanka Sundaram]

employment policy of the Corporation? A number of times this question has come up before the House with regard to other corporations I am sure it will not be your ruling that we cannot discuss this matter.

Mr. Speaker: The hon. Minister must be able to give instructions or directions in broad outline. This should be observed in the case of those persons who are already doing work there. The Corporation cannot take somebody and throw out somebody; it is not a matter of whim and fancy. There must be some rules.

Shri M. C. Shah: I have made it clear in the statement that a Special Committee was appointed to select the top officers, and those selections are also provisional, because under the Insurance Corporation Act—I won't take the time of the House—it is the business of the Corporation to fix up all these appointments. We have given the assurance that everybody who was serving on 19-1-56 will be taken up. If there is any grievance about any person not being taken up, then, I am prepared to inquire into the matter and to reply to all those questions. But, the policy of the appointment is to be decided by the Corporation.

Shri S. S. More (Sholapur): May I bring to your notice that apart from the question of future policy of appointing future employees, a large number of persons are already employed? They were employed by the different companies. Now, due to this nationalisation, they have all come under one jurisdiction. Many of them are sending us representations complaining that there is a lot of favouritism and some of the members have been either reduced or dismissed for no ostensible reason. I believe that since this House has given its consent to the nationalisation, it is the primary responsibility of this House to go into these matters. The hon. Minister's saying that it is an autonomous body is no reason to keep it out of the control of this House.

Dr. Lanka Sundaram: Sir, only two years ago this House debated specially on the question of parliamentary control over public corporations. The Government gave two undertakings, namely, that they were bringing in an amendment of the Company law, which was before a Joint Committee at that time, or were going to pass a special law to enable Parliament to look into how such corporations are run. Up to this moment these have not been carried out. It may be found that every time a public corporation was discussed on the floor of this House, the plea was put forward by Government that it is an autonomous corporation and that Government cannot go into the details, and so on and so forth. And, yet, we are asked to pass all the legislation necessary to make these corporations possible and to function, with the result that this is a question which you, in your discretion as Speaker of the House, must look into carefully. The undertakings given two years ago have not so far been implemented.

Mr. Speaker: What has the hon. Minister to say?

Shri M. C. Shah: I will draw attention to sections 11 and 23 of the Insurance Corporation Act. There, as a matter of fact, it is said that the Corporation will be established on the 1st of September. All the employees of the Insurance companies now will be taken over under section 11 by the Corporation. About staff and everything section 23 makes it clear that this is a concern of the Corporation. (*Interruption*).

Mr. Speaker: Let the hon. Minister proceed. He should not be interrupted like this.

Shri M. C. Shah: In order to take the House into confidence we have made this statement, because, as I said, a notification will be issued tomorrow. It was not incumbent upon the Government to make a statement of this type. That is not necessary under the Act. The Act has provided for the notification to be issued. With regard to the Rules, they have to be placed on the Table of the House. We thought it proper and that it would be in the fitness of things that we should inform the House when it is sitting.

Mr. Speaker: The point is a small one. The only point is that a number of appointments carrying salaries of Rs. 2,000 and Rs. 3,000 are just to come under this Corporation. Is this Corporation, however, autonomous it might be, to discuss seniority and bring all the cadres under a single management? A Manager in one becomes an Assistant Branch Manager in another. A Chief officer of a whole State becomes a small authority under it. Has this Parliament no right to discuss all these? The Parliament will certainly discuss all these things. The success of nationalisation depends upon the way in which these bodies are worked. There are serious complaints, as hon. Members say, that the topmost man in one place is being thrown down into the bottom in another place etc. Therefore, I will find time, for an hour some day, even before the close of this session for discussing matters like the manner of recruitment, the issue of general instructions to these autonomous corporations etc. so that they might carry on their work without prejudice to anybody, without any injustice to anybody.

I will fix up the date and time later on.

BUSINESS OF THE HOUSE

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): Sir, on 28th August references were made by some hon. Members to the Rules framed under the Representation of the People Act, 1950, which were laid on the Table of this House on 24th July. Shri Basu suggested that these Rules should be discussed during the present session. Shri More, on the other hand, was of the view that they should be discussed along with the Rules framed under the Representation of the People Act, 1951. The latter Rules have not yet been finalised. They are likely to be finalised very shortly but I am not sure whether it will be possible to lay them on the Table during the session.

To Government, Sir, it is a matter of indifference whether the two sets of Rules are discussed separately or together. If they are to be discussed together, it seems improbable that such a discussion will be possible this session. If they are to be discussed separately, then I have no objection to the Rules under the Act of 1950 being taken up this session, but I fear time may not be available for the purpose. This House has approved an allocation of two hours for these Rules. If the House is prepared to sit overtime, I have no objection. (*Interruption*). The question of quorum is there. I have no objection if the Rules are taken into consideration say on 7th September from 6.00 to 8.00 P.M.

Some Hon. Members: No, no.

Shri Satya Narayan Sinha: I leave it to the House. Therefore, it is for you and the House to say, 'Yes or No.' I simply suggest it to the House. If the House says. 'No', then we cannot.

Dr. Lanka Sundaram (Visakhapatnam): That is what you want.

Shri Satya Narayan Sinha: I, however, believe that no harm will be done if these Rules are discussed the next session. I leave the matter to the House and to you to decide as you like.

Shri S. S. More (Sholapur): Sir, the Rules prepared under the Act of 1950 have some relation to the framing of the electoral rolls and unless we discuss these Rules and suggest

[Shri S. S. More]

some amendments, the rolls will not be prepared.

Shri Satya Narayan Sinha: Government do not feel such a difficulty. Otherwise, they would not have suggested that these Rules can very well be discussed next session also.

Shrimati Renu Chakravartty (Basirhat): As far as I know—I am not absolutely clear about the details of it—and as far as we have discussed, we know that it has certain implications on the general elections; as such the question has been raised that we should have some time to discuss them. This point seems to have been overlooked. I would appeal to everyone to make certain changes or adjustments. That is why I think it is necessary and essential that we should have some time to discuss these Rules. We should set apart some time for this even if it is question of sitting overtime, or sitting on the 14th.

Mr. Speaker: So far as the 14th is concerned, it is impossible. I have fixed the Conference of Speakers and Presiding Officers at Madras on the 17th, 18th and 19th. Unless I finish the work of the Parliament here, I cannot go there and be in sufficient time to prepare for the work there. Both myself and the Deputy-Speaker are going. Under these circumstances the House will not sit a minute longer than the 13th. I cannot allow that. Therefore, hon. Members must be prepared to sit some time—late hours —one hour one evening and another hour another evening, instead of 6 to 8. The hon. Members must adjust.

Shri T. B. Vittal Rao (Khammam): We are prepared to adjust.

Mr. Speaker: I will just see that the caterer sits here as long as the hon. Members are here. That is what I can do. Therefore, let us provide some time in view of the fact that 13th will be the last day. 14th will be a Friday. Even then, it is a non-official day and practically there won't be much time for official work. On the 16th, it seems there is a holiday. Under these circumstances, there is no good sitting beyond the 13th. Let us try to finish this with one hour one day and another hour another day.

Shri Satya Narayan Sinha: I have no objection.

Mr. Speaker: In the meanwhile we will find some time for this. Hon. Members also will try to be here some time late in the evening so that we may take rest after the session is over.

Shri Bhagwat Jha Azad (Purnea *cum* Santhal Parganas): Sir, I would like to bring to your attention one thing. It has always been brought to the notice of the Business Advisory Committee that it is not feasible to sit after 6 P.M. I am one of those who sit till the last but every day when we are sitting after 6 P.M. the quorum falls and the bell has to be rung. Even after the bell rings there is no quorum and the Members are not here. It is very difficult for any Member to function efficiently and manage to do business. We are sitting here from 11 to 6; and it is not possible to sit till 7 or 8. Therefore, in no case, the sitting should be beyond 6 P.M.

Mr. Speaker: There cannot be a rule like that. There may be some hon. Members who are not interested in a particular kind of work and I can hardly prevent them from going out.

Shri Bhagwat Jha Azad: It is not a question which I put for the sake of myself.

Mr. Speaker: One hon. Member is taking all the pains for the benefit of other hon. Members! We cannot do so; sometimes we will have to sit late.

MESSAGE FROM RAJYA SABHA

Secretary: Sir, I have to report the following two messages received from the Secretary of Rajya Sabha:

(i) "In accordance with the provisions of rule 125 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 28th August, 1956, agreed without any amendment to the Bihar and West Bengal (Transfer of Territories) Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 17th August, 1956."

(ii) "I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Tuesday, the 28th August, 1956, concurred in the following motion passed by the Lok Sabha at its sitting held on the 22nd August, 1956, for modification of the Displaced Persons (Compensation and Rehabilitation) Rules, 1955, under sub-section (3) of Section 40 of the Displaced Persons (Compensation and Rehabilitation) Act, 1954:

That the following sub-rule be substituted for sub-rule (3) of rule 19 of the Displaced Persons (Compensation and Rehabilitation) Rules, 1955, as further amended by the Notification S. R. O. No. 1161, dated the 30th April, 1956, namely:

'(3) For the purposes of calculating the number of members of a joint family under sub-rule (2), a person who on the relevant date—

(a) was less than eighteen years of age; or

(b) was a lineal descendant in the male line of another living member of the joint family;

shall be excluded:

Provided that where a member of a joint family has died during the period commencing on the fourteenth day of August, 1947, and ending on the relevant date leaving behind on the relevant date all or any of the following heirs, namely,—

(a) a widow or widows;

(b) a son or sons (whatever the age of such son or sons);

but no lineal ascendant in the male line, then, all such heirs shall notwithstanding anything contained in this rule, be reckoned as one member of the joint family'."

Dr. Lanka Sundaram (Visakhapatnam): Without amendment!

NEWSPAPER (PRICE AND PAGE) BILL—*concld.*

Mr. Speaker: The House will now proceed with the clause-by-clause consideration of the Bill to provide for the regulation of the prices charged for newspapers in relation to their pages and of matters connected therewith for the purpose of preventing unfair competition among newspapers so that newspapers may have fuller opportunities of freedom of expression, as passed by Rajya Sabha.

The balance of time available is 33 minutes.

Clause 2 was added to the Bill.

Clause 3.—(*Power to regulate prices and pages of newspapers, etc.*)

Shri N. Sreekantan Nair (Quilon *cum* Mavelikkara): Sir, I beg to move:

Page 2—

after line 14, *add*:

"Provided that newspapers selling at one and a half annas and below per copy will be regulated only in relation to their minimum and not their maximum number of pages."

Shri T. B. Vittal Rao (Khammam): Sir, I beg to move:

(i) Page 2, line 33, *for* "associations of publishers" *substitute*: "associations of journalists, working journalists, newspaper editors".

Page 2—

after line 35, *add*:

"(5) Every order made under this section shall be laid before both Houses of Parliament as soon as may be after they are made and shall be subject to such modifications as may be made by the Houses on a motion in this regard within a period of fourteen days from the date on which the order is so laid before the Houses:

Provided that if the House or the Houses are not in session during any such period, such period shall not be taken into consideration in computing the said period of fourteen days."

Shri Bhakt Darshan (Garhwal Distt. East *cum* Moradabad Distt.—North-East): Sir, I beg to move:

Page 2—

line 33, *after "publishers" insert*: "editors and journalists".

Mr. Speaker: These amendments are now before the House for discussion.

Shri T. B. Vittal Rao: I have not much to add to what has been said the other day by my colleague Shri Moitra and others, but I would like to urge on the hon. Minister his objection to consult the working journalists or editors—he said he would only do it informally. I would like to bring to his notice one important fact. When we assembled at the Labour Panel Meeting to consider the chapter about the labour policy in the Second Five Year Plan, some issues of this nature came up, whether the trade unions should be apprised of the financial position of the industry. It was contended on the part of the employers that they were not prepared to do so, when the workers' representatives present there represented that without knowing the financial position of the industry, there cannot be any discussion or negotiation between the workers and the employers. In this important newspaper industry, I would urge that the working journalists, who are said to be the dominant partners in the industry, should be consulted.

If evidence had been published, I would have been able to point out that this question of price and page was first brought up by the working journalists. Therefore, I would strongly urge the hon. Minister to accept my amendment. Today there is no trade union which works without knowing the full financial position of the industry, the place of the industry in the economic life of the country. Those days were such when they would simply make any demands of the workers. Today, the trade union leaders and trade unions themselves have become very responsible and they first decide about the place the industry has in the economic life of our country and then put forth their demands. That is the important place that the trade unions have got today. I would, therefore, very strongly urge upon the hon. Minister to accept my amendment that the associations of journalists, working journalists and newspaper editors be consulted.

Secondly, we are going to have for the first time this price and page schedule. I would only ask the Minister to lay on the Table of both Houses every order made under this section so that we can discuss and offer our comments on it, because this is a new experiment. Afterwards we need not have it, but in the beginning we should have such things.

Shri N. Sreekantan Nair: My amendment is for the addition of a proviso like this:

"Provided that newspapers selling at one and a half annas and below per copy will be regulated only in relation to their minimum and not their maximum number of pages."

This is a very important amendment which I wanted to bring to the notice of the House. The history of this attempt to control the prices and pages had a long and chequered career. In the past the newspaper barons, with their chains of newspapers, used to stifle the lesser newspapers—the small newspapers, with only one newspaper for a particular spot. They naturally had control of the major advertising firms and had got international affiliations, so much so the newspaper barons were in a position to stifle the lesser newspapers. At the same time, the lesser newspapers are a necessity for this country because we are a poor country, and the newspapers selling at one anna or 1½ annas per copy will be read by a greater number of people than those selling at two annas or 2½ annas. It has been pointed out by the Press Commission that newspapers should be made available at a fairly low cost in this country. The suggestion which had been placed by the Newspaper Proprietors' Conference, the Association of Newspaper Owners, was that the pages and prices should be directly proportional. This means that if an one-anna paper has four pages, a two-anna paper will have eight pages. The main items of news are the same in almost all the papers. Therefore, in an one-anna paper, which can have four pages, three pages out of the four pages will be utilised for actual news, and other items, and only one page or half a page will be available for advertisement, so much so, the one-anna paper will be at a loss, whereas a two-anna paper will be able to publish 3 or 4 pages of news and three or four pages of advertisement. So, the gain to the more costly newspapers will be first of all in the matter of price, because they get higher prices and secondly they get much more space for advertisement. In order that the circulation and news value for the reading public may be increased, we must be able to allow the lesser priced newspapers to get more advertisements, so that they may give us a sufficient number of news items and sufficient advertisements. I have suggested that some control is necessary so that the interests of the common people and poor people may not be affected by the paper taking in more advertisements and stifling news or cutting or chopping off of the news, some minimum is required, that is, a minimum guarantee must be there for every paper to give sufficient news to the people, and beyond that a maximum need not be stressed in the case of lesser priced newspapers because if newspapers have the power and are capable of canvassing, they may be able to run in a more economical manner. Otherwise the newspaper barons, with their chains of newspapers and affiliations throughout the world, will be able to corner all the advertisements and they will be selling at a higher price and getting more income also from advertisements. I bring this to the notice of the hon. Minister and the House so that the people in this poor country may get cheaper newspapers with sufficient reading material, and at the same time the newspapers may be able to compete with the newspaper barons with their chains of newspapers.

श्री भक्त दर्शन : अध्यक्ष महोदय, चूंकि परसों माननीय मंत्री महोदय ने इस विधेयक के प्रथम वाचन के वाद-विवाद का उत्तर देते हुये यह आश्वासन दिया है कि यद्यपि वे इस के लिये तैयार नहीं हैं कि वे कानूनी तौर से पत्रकारों और सम्पादकों से परामर्श लें, लेकिन वे ग़ैर-रस्मी तरीक़े से शायद जरूर राय ले सकेंगे, इस लिये इस आश्वासन के आधार पर मैं अपने संशोधन को आगे नहीं बढ़ाना चाहता, और उसको वापिस लेता हूं।

Shri M. S. Gurupadaswamy (Mysore) *rose*—

The Minister of Information and Broadcasting (Dr. Keskar): What is the amendment?

Mr. Speaker: He is speaking on the amendments already moved and the clauses together.

Shri M. S. Gurupadaswamy: The day before yesterday, the Minister said that it was not possible to provide a schedule in the Bill. He said that there would be changes in regard to the price of newsprint from time to time and so, it will not be possible or even practical to provide a permanent schedule. I understand the difficulty. But, cannot that difficulty be overcome? When we are fixing a price page schedule, we normally take into consideration the average cost of newspaper or the average price of newsprint during a particular period. For instance, it may be for the period of five years. On the basis of the average price of newsprint for a particular period, if we calculate the price and relate it to the pages, I am sure it is possible to provide for a schedule here. I am very sorry that blank power is being given to the Government on the ground that it is not possible to provide for a price-page schedule in the Bill. The House will be in the dark if we do not know the possible rates that the Government has in view. I do not know if it has already got any schedule drawn up for issue in the form of an order.

The Information and Broadcasting Ministry has got an efficient organisation for this purpose. The Press Registrar who has been appointed under the Press Registration Act of 1867, is doing his work very well. I am sure his previous experience would be helpful in this calculation. So, it would not be difficult for the Minister to draw up a schedule if he takes into consideration the average price existing in a particular period. He may then fix the maximum and minimum pages required for a newspaper. The other day, the hon. Minister was not able to appreciate my view on this point. I cited a particular instance where the newspaper is charged with three pies or six pies. It is only one sheet paper. I do not know if the Minister contemplates the fixing of the maximum and the minimum number of pages of a newspaper. It is essential to prevent such newspapers which do not conform to certain standards.

I would again urge that he must make use of the machinery already available in the Ministry and try to work out a price schedule, if not now, at least in the immediate future. I expect that such a schedule would be included in this legislation. I do not however, want to hold up the Bill on this ground. So, I throw a suggestion that the Minister may utilise his machinery which is efficient. The Press Registrar will be helpful in this because of his past experience and knowledge. I hope that it will be possible to introduce a fair price page schedule in the Bill itself.

Shri Achuthan (Crangannur): I appeal to the hon. Minister to look into the amendment of Shri Sreekantan Nair seriously. While introducing this Bill, the hon. Minister stated that this was mainly meant to check unfair competition so that the district-level and language papers might have some existence. So, some provision is to be made with regard to language papers. Some latitude may be given to them so that they can, for instance, have one more page in order that they may have some more advertisements for their existence. Otherwise, the position will be very difficult and what is sought to be done will not be achieved. In almost all the States there are a number of dailies. In our State, the number goes up to a high figure. After this system comes into operation and if some dailies come to an agreement and see that the other dailies, which are healthy and useful and which have a purpose to serve in the particular region, are not allowed to canvass sufficient advertisements, then, they will go out of existence. That is an important matter. The aim in the Bill is good. But, some latitude must be given, in the initial stages, to the language papers which may not have so much capital to stand on their own legs for a long time. So, they should also get some advertisements. They should give some local news and some other news also. So, I feel that so far as the smaller newspapers are concerned, which sell at an anna or an anna and a half there must be some laxity. They should be allowed some more pages without raising the price so that they can give some news as well as a fair percentage of advertisements. I hope that the Minister will consider this question sympathetically and some amendment like the one moved by Shri Sreekantan Nair will be brought in.

Shri M. K. Moitra (Calcutta—North-west): Sir, I rise to support the amendment moved by Shri Vittal Rao. In his amendment, he has asked that, in fixing the price-page schedule, the Federation of Working Journalists or such other bodies of journalists should be consulted. Day before yesterday, the hon. Minister, in the course of his reply, said that such consultations must not be made obligatory. In fixing the price-page schedule, he has stated that the associations of publishers will be consulted. So far as I know, there are two organised associations of publishers—the Indian and Eastern Newspapers Society and the Indian Language Newspapers Association. The rates of subscription for membership of these associations are so high that it is not possible for smaller papers to be members of such associations. The hon. Minister was kind enough to say that he would make efforts to consult even the smaller papers. But, the smaller papers are disorganised in the country. I do not know what method he will follow in consulting these small papers. The Federation of Working Journalists have always been the custodians of the rights and privileges of the smaller papers. In view of the fact, that the smaller papers are not organised, I will insist that the Federation of Working Journalists should be consulted in fixing the price-page schedule.

The Minister has said that the journalists never run the business. But they are intimately connected with the trade and their fate is determined by the rise and fall of the trade. When such members are intimately connected with the trade and they have gained some experience about running the paper and managing its business, I would insist that they should be consulted. This matter should not be dispensed with by merely saying that the journalists are not connected with the running of the business and therefore, they should not be consulted. The advice of the journalists is sought in many matters, but in a matter which affects the newspapers their advice will not be sought according to this. It is rather strange. I, therefore, support the amendment moved by Shri Vittal Rao.

Shri D. C. Sharma (Hoshiarpur): This is one of the most difficult problems that the Minister will be called upon to solve. In order that this problem may have a smooth sailing in the country, I would urge that he should associate along with the publishers, the editors and working journalists also. I think there will be no difficulty in doing so. The working journalists have a federation of their own, and I think they can give the hon. Minister their considered opinion on the matter. At the same time, the newspaper editors also have an organisation of their own. I think they also can be expected to give him their considered views. We are not to look upon the newspapers only from the financial angle. If only the publishers are consulted, it will mean that it is going to be an absolutely financial deal. I do not want that the price-page schedule should be fixed only in accordance with the finances of a paper. In the running of a paper other things have also to be taken into accounts. I believe, even though they may not be directly interested in the financial position of the paper, the editors and working journalists know how the paper is running, whether it is able to pay its own

[Shri D. C. Sharma].

way or not and all that. They have their own views on these points From that point of view also they would be helpful.

More than this, I think the whole thing should be looked at from a composite angle. Therefore, it will be very necessary to have these persons associated with the determination of the price-page schedule. An hon. Member was talking about some officer who, according to him, has great experience and wisdom. Although I agree that there may be some officers who may have great experience and wisdom, I think in determining this you do not need only the wisdom and experience of one person but you need the pooled experience and wisdom of the whole Ministry, and in addition to that the accumulated experience and knowledge of those persons who are there to produce the paper.

I would, therefore, ask the hon. Minister to accept this amendment. He said that he would consult them informally. There is a lot of difference between informal consultations and regular consultations. From what I know I can say that these informal consultations very often do not give you very authentic results.

Dr. Lanka Sundaram: You want to place an obligation on the Ministry?

Shri D. C. Sharma: It should be made obligatory on the part of the hon. Minister to consult them. It will be good in the interest of the Ministry, in the interest of the newspapers, in the interest of the reading public and in the interest of those who produce the newspapers. Then you will have a schedule which will command the maximum consent in this country. If it is going to be only a one-way traffic between the Ministry and the publishers, I think it will not be assented to by so many persons. I want that they should be associated so that there will be the maximum of acceptance for the decision which the Ministry takes.

Dr. Keskar: Sir, I would first deal with the amendment which has been moved by Shri T. B. Vittal Rao. and supported in similar amendments by one or two other hon. friends. I am afraid I cannot accept the amendment. I do not want to repeat all that I said yesterday, but I say it again with further emphasis that consultation with all and sundry is not necessary. It is not that we are trying to minimise the importance of working journalists or the editors. Bill when we are trying to fix up the price of a paper, and we have to decide whether that particular price will bring loss or profit to the paper, naturally those who manage the paper have to be consulted. It is something very simple and reasonable. As for the collective soul of a newspaper and such other things mentioned by my friend Shri D. C. Sharma, I have listened with interest. No doubt, I am interested in his exposition of this collective responsibility, but I have to look to the specific responsibility. As I said, I am interested in certainly having a very workable price structure for the newspapers. What I said yesterday was that if necessary I will consult very experienced people of the journalistic side also.

Dr. Lanka Sundaram: But we read between the lines, you don't. That is the trouble.

Dr. Keskar: But I will certainly consult them to find out whether they have any other suggestions to make.

The second point is one that my friend Shri Sreekantan Nair wants that we should make a statutory elimination of papers having a price of 1½ annas and below. I have not understood his reasoning. Some other Member might say that papers above a particular price also should be eliminated. So there would be very little left for a price-page schedule. If we eliminate a particular class of papers and only leave a particular class of papers to be dealt with, then any consideration of fixation of a price structure which is good and satisfying will not be possible. I have heard his arguments carefully. What he says is that papers below a particular price should be excepted. I shall certainly bear in mind what he has said, when any such schedule is prepared. At the same time, let it be remembered that the price of a paper is not an indication of the paper being big or small. A paper might be a half-anna paper, but it might have one million circulation. We cannot consider that as a small paper. A paper with a price of 4 annas might be a small paper because it might have only a very small circulation, circulation among selected people whereas the half-anna paper might be having a circulation among one million people.

Dr. Lanka Sundaram: You should draw a distinction between daily papers and non-daily papers.

Dr. Keskar: The schedule is at present meant for daily and weekly newspapers, and not weekly 'viewspapers'. As such other periodicals do not come in here.

Dr. Lanka Sundaram: That is the trouble. What is the distinction between a weekly 'newspaper' and a weekly 'views-paper'?

Dr. Keskar: My friend knows it too well. It has been very definitely laid down. Even now in the Post and Telegraphs Act and also in the Books Registration Act it is very clear.

Shri M. S. Gurupadaswamy: If a paper contains both news and views?

Dr. Keskar: Then in the mixture you have to see which dominates. But I feel, if we eliminate certain classes of papers and make it, what shall I say, for a very limited class of newspapers, the whole scheme would be defeated. We cannot have a flexible price structure or schedule—whatever name you may like to call it—if we pass any such statutory restrictions. But the points that my friend has made regarding smaller papers will certainly be borne in mind when we take up this question for practical decision.

My friend Shri Bhakt Darshan has already sought permisssion to withdraw his amendment. So I have nothing further to say regarding his amendments.

Mr. Speaker: I shall now put the amendments to the vote of the House.

The question is:

Page 2—

after line 14, *add:*

"Provided that newspapers selling at one and a half annas and below per copy will be regulated only in relation to their minimum and not their maximum number of pages."

The motion was negatived.

Mr. Speaker: The question is:

Page 2, line 33—

for "associations of publishers" *substitute:*

"associations of journalists, working journalists, newspaper editors".

The motion was negatived.

Mr. Speaker: The question is.

Page 2—

after line 35, *add:*

"(5) Every order made under this section shall be laid before both Houses of Parliament as soon as may be after they are made and shall be subject to such modifications as may be made by the Houses on a motion in this regard within a period of fourteen days from the date on which the order is so laid before the Houses:

Provided that if the House or the Houses are not in session during any such period, such period shall not be taken into consideration in computing the said period of fourteen days."

The motion was negatived.

Mr. Speaker: Shri Bhakt Darshan has sought leave of the House to withdraw his amendment No. 4. Has he leave of the House to withdraw his amendment?

The amendment was, by leave, withdrawn.

Mr. Speaker: The question is:

"That clause 3 stand part of the Bill".

The motion was adopted.

Clause 3 was added to the Bill.

Clauses 4 and 5 were added to the Bill.

Clause 6.— *(Penalties)*

Shri Ramachandra Reddi (Nellore): I beg to move:

Page 3—

(i) line 11, *for* "one thousand rupees" *substitute* "one hundred rupees"; and

(ii) line 13, *for* "two thousand rupees" *substitute* "two hundred rupees".

I am quite sure that the Government is anxious to give as much assistance as possible to the smaller papers. If the fine of Rs. 1,000 and Rs. 2,000 is retained, the smaller papers would be very much hard hit. As a matter of fact, there are certain proprietors of weeklies who do not own a press and who do not even own a decent office. They go on issuing the papers and printing them in other printing presses and paying the press charges. In such cases, they will be very much hard hit if this large amount of fine is imposed. On the other hand, if you take the bigger papers, it would be a matter of prestige to them, though not a matter of money, if they are fined even one rupee. If a small fine of rupee is imposed on them, it will be equated by them as a matter of prestige, to a fine of even Rs. 10,000. If the Government want to help the smaller papers, the amount of fine should be reduced.

In this connection, I may also point out that in the Press and Registration of Books Act, 1867, the penalties are only Rs. 50 under section 16A and Rs. 50 under section 16B, for every default. So, I wish that the hon. Minister considers my amendment in this light.

I would also like to point out a lacuna. To whom the complaint should be made and by whom it should be made is not clear in clause 6. It is not known whether it should be a judicial officer or a magistrate having jurisdication over a particular area or whether it should be a secondclass magistrate or even an honorary magistrate. These matters are not clear from clause 6. So, I would suggest that there should be an amendment by the Government itself to this effect. On a complaint made to the magistrate, the magistrate must be in a position to give a decision with regard to the fine, etc.

I would also like to refer to clause 7 in this connection. Of course, there is no amendment tabled for that clause. It is said in the second line of clause 7 that the complaint should be made in writing by the Press Registrar appointed under the Press and Registration of Books Act. I do not know the implication of the words "in writing".

Dr. Keskar: That means, "not orally".

Shri Ramachandra Reddi: In the Press and Registration of Books Act, the words "in writing" do not find a place. Here, it is said that it should be "in writing". Usually, when a complaint is sent, we expect that it will be sent in writing.

Dr. Lanka Sundaram: They have no confidence in the spoken word.

Shri Ramachandra Reddi: So, I do not know the special implication of the words "in writing" and I do not know whether it will involve, later on, any legal and procedural difficulties.

Dr. Keskar: I would only like to say that the amendment of Shri Ramachandra Reddi is unnecessary. The wordings in the Bill are:

> ".... fine which may extend to one thousand rupees" and again:
>
> ".... fine which may extend to two thousand rupees."

While the hon. Member has been pleading the cause of the small papers, he has also to remember that there are big papers which will infringe such a price-structure and for them a fine of Rs. 1,000 is nothing. Some of them might be prepared to pay much more than this amount and yet they may make profits. So, the maximum fine has been put here and it has been done after careful consideration. The authority which imposes the fine is quite at liberty to impose the fine within this limit which is prescribed. Of course, a smaller fine will naturally be imposed on a small newspaper. I do not expect that the authority will impose on a poor paper a big fine and on a rich paper a small fine.

Dr. Lanka Sundaram: Why don't you make a provision for warning the paper before a fine is imposed?

Dr. Keskar: I think the managements of papers are sufficiently versed in law and the regulations, and we do not expect them unconsciously to commit any infringement.

Dr. Lanka Sundaram: Not language papers.

Dr. Keskar: If anybody commits any infringement and it becomes clear that it did it unconsciously, then it is not necessary that you should impose a particular fine. That is always understood. I think Shri Ramachandra Reddi has been pleading a cause unnecessarily. The provision that he has been pleading for is included in this Bill. It is not outside the purview of the powers that are being to be given and I, therefore hope that he would not press his amendment.

He has been asking for a clarification as to which authority it will be that should receive the complaint. It will be the suitable judicial authority. Except in very specific cases there is no need to mention the authority. It is not, I think, essential that we should mention the particular type of magistrate before whom a complaint is to be made. I have nothing more to say.

Mr. Speaker: So, should I put the amendment to the vote of the House?

Shri Ramachandra Reddi: I beg leave to withdraw the amendment.

The amendment was, by leave withdrawn.

Mr. Speaker: The question is:

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7 was added to the Bill.

Clause 1.—(*Short title etc.*)

श्री भक्त दर्शन : मैं अपने संशोधन संख्या १ और २ प्रस्तुत करता हूं जो कि इस प्रकार हैं :

(i) Page 1—
lines 5 and 6—*omit* "except the State of Jammu and Kashmir".
(ii) Page 1—
omit lines 7 to 11.

धारा १ में कहा गया है कि इस कानून को जम्मू और काश्मीर में न लागू किया जाय। लेकिन मैं चाहता हूं कि इसको जम्मू और काश्मीर में भी लागू किया जाय। मैं देख रहा हूं कि सदन में जो कानून पास होते हैं उनमें से बहुत से जम्मू और काश्मीर पर लागू किय जाते हैं। अभी परसों ही हमने जो नैशनल वालंटियर फोर्स का कानून पास किया है उसको जम्म और काश्मीर पर लागू किया गया है। इसी तरह से नैशनल हाईवेज बिल भी जो हमन स्वीकार किया था वह जम्मू और काश्मीर पर लागू किया गया है; लेकिन इस कानून को जो कि इतना महत्वपूर्ण है हम जम

[श्री भक्त दर्शन]

और काश्मीर पर लागू क्यों नहीं कर रहे हैं, इसका स्पष्टीकरण नहीं किया गया है।

इस सम्बन्ध में मैं यह भी निवेदन करना चाहता हूं कि जम्मू और काश्मीर के बारे में हम जो ढीला रुख अख्तियार किये हुये हैं वह ठीक नहीं है। हमारी भारत-सरकार को अपना प्रचार तेज़ी से करने की जरूरत है। क्या हम लोग इस बात को नहीं जानते कि कांस्टीट्यूशन हाउस में बैठ कर एक स्वानामधन्य महिला हमारी सरकार के खिलाफ आये दिन प्रचार करती रहती हैं? पता नहीं हमारा इनफार्मेशन मंत्रालय इस विषय में क्या कर रहा है और जम्मू और काश्मीर सरकार इसका क्या जवाब देती है? इसलिये मैं चाहता हूं कि यह कानून और दूसरे भी जितन कानून यहां स्वीकृत किये जायें उनको जम्मू और काश्मीर पर भी लागू किया जाना चाहिये और उनमें कोई भेद नहीं किया जाना चाहिये।

अपने दूसरे संशोधन के सम्बन्ध में मुझे यह कहना है कि परसों मंत्री जी ने अपने उत्तर में यह स्पष्ट नहीं किया कि आखिर यह कानून पांच साल के लिये ही क्यों लागू किया जा रहा है। जैसा कि मैंने उस दिन भी बताया था, प्रेस आयोग ने अपनी रिपोर्ट में कहीं भी यह नहीं कहा है कि इसको परीक्षण के तौर पर लागू किया जाये। उन्होंने पांच, दस या १५ साल का कोई समय नियत नहीं किया है। स्वयं मंत्री जी ने बतलाया था कि इस प्रकार का कानून यूनाईटेड किंगडम में दस-पन्द्रह साल से लागू है और जब उसके हटाने के लिये आवाज़ उठायी गयी तो वहां के अखबारों में बड़ा हल्ला मचा और कहा गया कि उसको न हटाया जाये। जब इंगलैंड में यह हालत है तो हमारे देश में जहां हम प्लान्ड इकोनौमी की ओर बढ़ रहे हैं, हमको अखबारों को भी क्यों प्लान्ड नहीं करना चाहिये? इसको केवल पांच साल के लिए ही क्यों लागू किया जा रहा है, यह मेरी समझ में नहीं आता। अत: मैं आशा करता हूं कि मंत्री जो अपने उत्तर में इसका स्पष्टीकरण करने की कृपा करेंगे।

Dr. Keskar: As far as the first amendment of Shri Bhakt Darshan is concerned, I do not think that it is advisable to extend this legislation to the State of Jammu and Kashmir.

1 P.M.

As far as the principle that all legislation should automatically apply to the State of Jammu and Kashmir is concerned, I will not say anything here. This is not the place to take it up and discuss it. As far as this particular Act is concerned, first of all the Press as such is in a very fluid stage in that area. I do not know how many newspapers there are; I think they can be counted on the fingers. Unless and until we are sure that it will be to the advantage of the Press in that area, I do not think it will be advisable for us to apply it to the State of Jammu and Kashmir.

Mr. Bhakt Darshan also referred to the anti-Kashmir and anti-Indian agitation carried on here. I hope he will bring it to the notice, not of me, but of the Home Minister. I hope he would take adequate steps about the matter.

श्री भक्त दर्शन : क्या मंत्री जी गृह मंत्रालय का ध्यान इस ओर दिलाने की कृपा करेंगे?

Shri Feroze Gandhi (Pratapgarh Distt.—West *cum* Rae Bareli Distt.—East): May I point out that this has been brought to the attention of the Government and the Government have not done anything? For the last two or three months, all sorts of unreasonable treacherous literature are being published in Delhi and nothing has been done.

Dr. Keskar: It is not I but the Home Minister to whom it should be addressed. (*Interruptions*).

Shri Feroze Gandhi: According to the Minister, I understand this Bill is

going to help the smaller newspapers. This is the kind of smaller newspapers that you will help.

Shri Bhagwat Jha Azad (Purnea *cum* Santal Parganas): You are also a Minister of that Government.

Dr. Keskar: I am in charge of a particular department.

The other amendment is regarding the period of this Act. Mr. Bhakt Darshan wants that this should be a permanent piece of legislation. I do not agree with him for two reasons. One is that though the price-page structure exists in Great Britain, it has been there with a particular purpose only, namely, distribution of newsprint. It does not take into account the question of framing the schedule in such a way as to help the smaller papers or papers financially not so well-placed.

Dr. Lanka Sundaram: Did the Minister keep track of the newsprint allotted to big papers going to the black market? Is it still going to the black market?

Dr. Keskar: That is a different question. For the first time, according to the recommendations of the Press Commission, we are trying to take the question of having a price-page structure which will eliminate unfair competition as much as possible. Until we have tried this out, for us to say that this should be a permanent legislation is wrong. If it works out well, then the question of extending its life is very easy. There is no difficulty whatsoever. I do not think it makes any material difference whether it is for 5 years or permanently. In fact nobody can guarantee what will happen after 3 or 4 years and from the practical point of view it is not very important.

श्री भक्त दर्शन : चुंकि माननीय मंत्री जी ने कहा है कि पांच साल के बाद भी इस कानून को लागू किया जायंगा, इस आश्वासन पर मैं अपने संशोधन वापस लेना चाहाता हूं ।

The amendments were, by leave, withdrawn.

Mr. Speaker: The question is:

"That clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Dr. Keskar: I beg to move:

"That the Bill be passed".

In moving that the Bill be passed, I would like to say only one thing. The Bill has been brought forward after very careful consideration and after taking into consideration the opinions expressed in Parliament and by the Press as a whole and the experience gained in other countries.

The object of the Bill is not ambitious, nor does it categorically say that it is going to achieve this or that. As I said earlier, we hope that it will help in eliminating unfair competition and in that way help papers which are less favourably placed and the smaller papers in general. We have also made it clear that this is not the only factor which will help the smaller papers, but one of the important factors, as the Press Commission has very rightly pointed out. I do not want to say anything further. When the Bill becomes an Act and when the schedule is prepared, it will be tried out and the results will be before the House. I hope they will be favourable.

Mr. Speaker: Motion moved:

"That the Bill be passed".

Dr. Lanka Sundaram: I would congratulate the hon. Minister for the manner in which he has piloted this Bill. I would say, as a journalist who owned and edited papers for over 20 years, that this Bill is of a halting character. I do hope that within the period of time made available in the ambit of this Bill, the Minister would review the situation constantly and would not endanger the existance of small papers. I say it because I

[Dr. Lanka Sundaram]

have experience—the House will agree on that point. The vast majority of the newspapers in India are not the Daily Press. I would like the Minister to remember that point.

I find the Minister of Parliamentary Affairs is anxious to take up the next Bill, and I would finish by saying that unless the Minister of Information and Broadcasting gives us an assurance that he will not forget the interests of the smaller Press, which has got to be properly nurtured, I am afraid in this country the freedom of the Press will not be possible and public opinion will not be heard. The smaller Press in this land is imbued with a mission; it is not a mechanised Press; it is not a Press of monopoly; it is not a Press having chain circulation; it is not an industry. I hope the Minister will remember it. The periodical Press cannot be forgotten. There are very bad specimens of it; I had occasion to say so in this House on a previous occasion. He should attempt to weed out the undesirable weekly Press. I hope, while reviewing the constant working of this Bill, the Minister would remember the periodical Press.

With these words, I support this Bill.

Shri Bhagwat Jha Azad: Mr. Speaker, I was one of those who had very strongly advocated the price-page schedule while the Press Commission's report was discussed in this House. I welcome this opportunnity to congratulate the hon. Minister for bringing this Bill here. At this hour, when the Bill is going to be passed and made into an Act, I only want to bring one or two points to the attention of the Minister.

After the Bill becomes an Act, there will be many difficulties confronting the Minister. As he said in Rajya Sabha, during the last one year, the Government have not been able to decide what would be the nature of the regulations or the rules that would be made in this behalf. It only shows the difficulties in the matter. It is said in this Bill that it will equalise the opportunities regarding securing advertisements between small and big newspapers. It will be quite difficult to give equal opportunities to the small as well as big papers for securing advertisements, one of the chief resources of these papers. Therefore, I want to emphasise one point, namely, that the regulation made under this Act should be flexible to the extent that can be adjusted according to the time, to ensure fair competition and to educate the public opinion in the country freely. Therefore, though the Minister has assured that he would consult the interests in this matter, informally, would it not be advisable that before these regulations framed under this Act are given effect to, they should be placed before the legislature? The Memorandum regarding Delegated Legislation says that the delegation of power is of a normal character. I think that the Minister has himself stated in Rajya Sabha that it is very difficult to give us any idea as to what will be the nature of the regulation. It clearly shows that these are difficult matters and, therefore, I think the Minister should consider if it is not possible and feasible for him to bring those regulations before this House before they are given effect to. Then the House will have an opportunity to go into it and the Minister will have the advantage and benefit of the opinion of the House. I think these are the lacunae. I wish god-speed and success to the hon. Minister in implementing this Act because it will go a very long way to help the smaller papers. With these words, I whole-heartedly support this Bill.

Dr. Keskar: I have not much to say: I certainly will keep in mind the wise words of my hon. friend, Dr. Lanka Sundaram who, with his experience of the papers and the press in general, has certainly raised points which are worth consideration. I might only say that bringing in a wider sphere of the press within the ambit of this Bill is not an easy job. It is going to be a difficult job and I do not want in the initial stage to make it still more complicated. But the point that he has made will certainly be kept in mind.

The point raised by my hon. friend, Mr. Azad, is no doubt worth consideration but it has been disposed of day before yesterday. I do not know whether he was here.

Shri Bhagwat Jha Azad: I was present.

Dr. Keskar: I do not want to repeat the answers that I gave that day. I will only say here that there is no question of rules. It is here a question of announcing a price page rate and it is not included in the same category as other rules or schedules.

Dr. Lanka Sundaram: That is, your approach is not going to be punitive.

Dr. Keskar: I think it will give rise to great difficulties for the press as well and, therefore, I hope he will not press his viewpoint and I am sure the House will pass the Bill.

Mr. Speaker: The question is:

"That the Bill be passed".

The motion was adopted.

STATE FINANCIAL CORPORATIONS (AMENDMENT) BILL

Mr. Speaker: The House will now take up the further consideration of the following motion moved by Shri A. C. Guha on the 24th August, 1956, namely:

> "That the Bill further to amend the State Financial Corporations Act, 1951, be taken into consideration."

The time allotted for this Bill was four hours, out of which we have already taken 47 minutes. The balance is 3 hours and 13 minutes. We will allot 2½ hours for the general discussion and half an hour for clause-by-clause consideration.

Shri Bansal (Jhajjar-Rewari): Mr. Speaker, before I come to the provisions of the Bill, I should like to revert with your permission to the question of information relating to the work of the various State Financial Corporations which has been placed before this House. The hon. Minister was pleased to say that day that whatever information I wanted was supplied to me two days before the discussion was scheduled to take place here. I beg to submit that in this particular respect he was not properly informed by his department.

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): I should make the position clear. I was under the impression that the report which contained about 120 pages was placed on the Table of the House. But the difficulty is that they could not prepare all these pages and they could not verify the figures. So they placed only a summary. That was a mistake.

Dr. Lanka Sundaram (Visakhapatnam): Only a summary was placed in the Library.

Shri Bansal: I was given only some 7 to 8 pages. After that, when you were pleased to postpone the discussion, a bigger summary consisting of about 100 pages was placed in the Library. From that summary itself, from page 5, I find there is reference to the various obligations of the State Financial Corporations.

The first three obligations, in my opinion, clearly make it incumbent on the Government of India to place all the relevant information in the Library of Parliament. The first obligation here says that the State Governments and the Reserve Bank are to be supplied detailed reports on the working of the State Financial Corporations within three months of the closing of the year. The second obligation says that the Financial Corporations are to submit monthly and quarterly statements showing their assets and liabilities and investment position etc. to the Reserve Bank. The third obligation says that annual accounts are to be audited by the auditors to be appointed by the State Governments in consultation

[Shri Bansal]

with the Comptroller and Auditor-General of India.

From this it is clear that the Reserve Bank and the Auditor-General come in the picture as far as this Financial Corporations are concerned. What is more, if you see the capital structure of these State Financial Corporations, you will find that we, this Parliament, have a definite right to go into the affairs of these Corporations inasmuch as, according to my calculation, the Reserve Bank and the State Bank of India, as compared to the institutional investors and insurance companies, hold a major portion of the shares, about 40 per cent. of the capital of the various State Financial Corporations and if we have a stake of as much as 40 per cent. in the various Corporations, I am sure, it is incumbent on the Government of India that they should place all the relevant information before Parliament so that they can keep a close watch on the activities of these Corporations. I will not labour this point any further but will only submit that in future we should be supplied not only with these double-distilled summaries but with the full reports of the various Corporations. I do not see as to what difficulty is there in Government of India asking the Reserve Bank to supply at least two or three copies of the various reports of these Corporations and place them in the Parliament Library. After all, the Reserve Bank authorities receive all these reports within three months of their submission to the State Governments concerned. From whatever information has been given in these 100 and odd pages, although it looks impressive, I must say, I have not been able to get much enlightenment from these summaries. I will point out where I have failed to obtain information which, in my opinion, is very relevant for coming to any conclusion as to the efficiency with which these corporations have been functioning. Before I go into that, I would like to discuss briefly, if I may, the working of these corporations.

So far, there are 13 corporations. The first came into being in 1953. That and some other corporations have been working for three years, some have been working for two years and others for one year. The authorised capital of the corporations is Rs. 25 crores. Out of that, the issued capital is Rs. 10·5 crores. That is, 42 per cent. has already been issued. Of this authorised capital which the various corporations have got in their possession, only Rs. 2·7 crores has been given so far as loans and advances. The sum invested in Government securities is Rs. 4 crores. The sum deposited in the various banks is Rs. 3·3 crores. That means, out of Rs. 10·5 crores of capital which the corporations have, about roughly three-fourths are invested in Government securities and in various banks. The result of this is, in subvention alone, the State Governments have had to fork out within this brief period Rs. 35 lakhs. That means about 61 per cent. of the dividend that had to be statutorily paid had to be met by the State Governments. I know that the State Governments themselves receive a share out of the subvention. The net loss to the State Governments has been of the order of Rs. 11·5 lakhs. I want to know if this picture will hearten anybody. It may be said that these corporations have been working for a very short time and therefore, the subvention in the beginning has necessarily to be large. What passes my understanding is, how is it that out of the authorised capital of Rs. 25 crores, about Rs. 10·5 crores were actually issued. Why did not the various corporations issue a smaller amount so that they do not have to waste money in providing the necessary subvention?

Dr. Lanka Sundaram: Why should dividend be guaranteed on this basis?

Shri Bansal: The guaranteed dividend is only 3 per cent. I do not think that is a very onerous burden. After all, whenever the Government want any loan, they are also paying about 4 per cent. or 3½ per cent. Here, they are paying only 3 per cent. I do not think that one can get away from the fact that some sort of a dividend must be guaranteed. What I have not been able to understand, I repeat, is why so much money was issued, if the State corporations were not sure as to how much will be taken by way of loans.

I am not going into the question as to which particular State Corporation has been functioning properly and which not. There is a mention of that even in this brief summary. In order to find out whether these corporations have been working efficiently or not, one criterion is that of expense ratio. I have seen this summary. The authors of the summary have carefully avoided this question of expense ratio. On the other hand, they have tried to relate the expenses with profits which, in my opinion, is a very unscientific method of calculating the expense ratio. In my opinion, the proper expense ratio would be the percentage of administrative expenditure over the total amount of loan sanctioned. If I calculate on that basis, I find that in one State where the corporation is supposed to have functioned most efficiently, the expense ratio is about 2·6 per cent.

Dr. Lanka Sundaram: What is that State?

Shri Bansal: Travancore-Cochin.

In West Bengal, it works to 3·4 per cent. I have worked these out myself. There may be a slight difference here or there. But, I think, more or less, these are correct figures:

Travancore-Cochin	2:6 per cent.
West Bengal	3·4 per cent.
Saurashtra	6·5 per cent, and
Punjab	12 per cent.

I shall compare this expense ratio with the expense ratio of the Industrial Finance Corporation. There, the figures are:

1948-49	.8 per cent.
1949-50	1·27 per cent.

Shri M. S. Gurupadaswamy (Mysore): To income?

Shri Bansal: To the total loans.

1950-51	2·1 per cent.
1951-52	1·28 per cent.

I have already given figures ranging up to 12 per cent. in the State corporations. In the U.K. the expense ratio works to 0·52 per cent. in respect of their bigger corporation and in the smaller corporation, it is 0·6 per cent. I think this will show that these Finance corporations have failed to work in a manner which could give satisfaction to any Member in this House. I would seriously suggest to the hon. Minister to take some steps to see that the expense ratio is reduced and also loans are granted more expeditiously and there is a balance in the capital structure and the loans that are issued.

Now, I come to the amendments. As far as these go, I do not have much to say either in favour or against the amendments. But, I would like to throw a suggestion for the consideration of the hon. Minister, in the light of the working of these corporations, whether the time has not come when we should really review the entire position in regard to the State Financial Corporations. In the three years, only Rs. 2·8 crores have been given out by way of loans and debentures in 12 States. I think this is an infinitesimal fraction of the capital requirements of the small and medium scale industries. There must be something seriously and inherently wrong with the functioning of the corporations. I think it will be beyond practical reasoning how to make these corporations work in such a way that they would be able to meet the capital requirements of the growing industrial sector which we are planning in the small and medium scale industries in the country. Therefore, my suggestion is that, instead of maintaining these State Financial Corporations as separate institutions, let their working be integrated with the State Bank of India. The State Bank of India is a Government enterprise. It also gives money on short-term credit to industrial and commercial houses. I suggest that this question of medium and long term loans should also be gone into carefully. The State Bank should be in a position to take up the functions of these State Financial Corporations.

As you will remember, the Shroff Committee also made a suggestion to this effect that somehow our scheduled banks and commercial banks should be placed in a position where they will be able to help the industrial development of the country by making medium and long-term loans. My suggestion is, let the State Bank have three distinct sections: a commercial section, an industrial section and an agricultural section. The commercial section will take care of the ordinary commercial loans; the industrial section will look after the normal functions of the medium and long-term guarantor and creditor to the small and medium-scale industries which require such credit. In the industrial section, there can be an investment credit section which will stand as security against industrial shares and debentures. It is not difficult to provide some sort of mechanism where these two departments would, more or less be self-adjusting. The industrial section which will look after the loans proper will be able to take care of the functions that are now being handled by the State Financial Corporations. The State Bank of India has branches in all the four corners of our country. It should not be difficult to have one managing director in charge of the industrial section with a small committee which will advise him on this loan aspect of the small-scale and medium industries. There could be one representative of the State Bank at the various State capitals where the State Financial Corporations are functioning at present, and under the guidance of the State Bank of India and that committee at the headquarters of the State Bank, this loan policy to these industries could very easily be handled.

Perhaps you are aware that even now the State Bank is having a pilot scheme to assist by medium and long-term credit the small-scale industries. I do not know how far that pilot scheme has succeeded, but the fact remains that the State Bank is experimenting on that pilot scheme. I do not see any reason why the activities of the State Financial Corporations cannot be handed over to the State Bank. After all, those are the people who are in touch with the requirements of the small and medium-scale industrialists and they will be able to handle this question of credit to the industries much better than these newfangled organisations of the State Financial Corporations.

After all, banks know very well how to handle the credit mechanism. They could advance loans on conditions less rigorous than those on which the Financial Corporations are granting. I see it is one of the purposes of this amending Bill to reduce the rigours of the law so that loans can be given to the small-scale and medium-scale industries on slightly less onerous terms. I submit that the State Bank of India will be in a much better position to do that and also to take care to see that the moneys which are lent to the people who want them are not in jeopardy. If this suggestion is accepted I am sure that much that we are seeing today by way of the inefficient and unsatisfactory functioning of the State Financial Corporations will not be there, and I am sure the credit mechanism of the country which we want will be there so that the small and medium sections of the industry will also be helped in a much better way thereby. I place this suggestion in the hope that the hon. Minister will consider it in the spirit in which I have offered it and not think that I am trying to draw a red herring. I am sure the House will give due consideration to my suggestion and that we will now try to gear up the machinery of the State Bank in order to subserve the purpose which these Financial Corporations were supposed to subserve and which they have failed so miserably in doing.

Dr. Lanka Sundaram: When last week I had the honour of moving for the adjournment of this debate I had hoped that in terms of the unanimously expressed wish of this House my hon. friend Shri Guha would make available, at least a few copies to be placed in the Library of the House, as far as the working results of the State Financial Corporations were concerned. I have to reveal this point that when I spoke to my hon. friend a little while ago in the lobby, he had to tell me—I am afraid I have to concede his helplessness—that he could not get hold of the copies of the annual reports of the State Financial Corporations to be placed on the Table of the House. You, Mr. Speaker, would recall that a number of times this House was exercised very seriously about the manner in which public corporations which were set up under the laws passed by Parliament are not amenable to examination by this hon. House. I had the honour to lead at least two debates on parliamentary control on public corporations and on the Industrial Financial Corporation itself. I remember at that time my hon. friend Shri Guha was sitting here, and gave me tremendous support to make sure that Caesar's wife was above suspicion, that the activities of the Industrial Finance Corporation were above board. I am glad that since he went over to the other side and occupied a place in the Treasury Benches he has done his best to ensure that the Industrial Finance Corporation is put on a fairly sound basis.

Shri A. C. Guha: After the amendment of that Act, the record of the Industrial Financial Corporation has been improving considerably.

Dr. Lanka Sundaram: I am paying a tribute to my friend for the very unobtrusive but steady work he has been doing since he has been elevated to the position of a Minister, but that is a small point.

I would like to have your personal attention, Mr. Speaker, on one point. A few minutes ago you intervened when a request was made for information and for an opportunity of discussing the affairs of the proposed Insurance Corporation. Every time the same plea has been put forward on behalf of the Government: "Oh, these corporations are autonomous. After all, they are corporations. We cannot possibly interfere in their day to day work" and so on and so forth, but the question is a very important one as far as I see it. This House has been watching this particular proposition for the past 4½ years, if I am not mistaken, namely that laws are passed by this House to enable corporations being set up, and immediately they go behind the ring-fence, they cross the Rubicon and say it is forbidden territory, you cannot look into it, there are people there who discharge their duties and so on and so forth. Whether it is the Damodar Valley Corporation or the Industrial Finance Corporation or Sindri or the Shipyard or the Financial Corporations for which this Bill has been brought forward, the same proposition has come before us times out of number. I request you that, now that this House is going to, almost, come to the end of its life and fresh elections are coming forward, fundamental precedents must be laid down as to the manner in which the rights and privileges of this House in relation to the working of the corporations set up under the laws passed by Parliament are put beyond any shadow of doubt. I am sure that there would not be any point in this House debating the working of these industrial finance corporations of the various States, thirteen in number, without having access to the working results of the corporations. I regret that even in the face of the unanimously expressed wish of the House last week my hon. friend was unable to get access to, and more so make available, the reports of the various financial corporations, and I am sure

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you, Mr. Speaker, will look into this matter as one of principle.

Shri A. C. Guha: Here again I have to intervene. Since I spoke to him in the lobby I can say that I got the copies; they were received only yesterday. If I place them now, then again the question will come that they have not been placed in time. For the future we shall see, but for the present I have just got the copies except for one corporation.

Dr. Lanka Sundaram: This was not the point as put to me by the hon. Minister in the lobby, but the point is if you had only moved for an adjournment of the debate I am sure this House would have been agreeable to postpone it to a suitable date. It is an obligation on the part of the Government, and I am sure you, Sir, will enforce it, that Government shall have to circulate the information sufficiently in advance or they must make arrangement for postponing the debate on the matter. The House would agree to deferring the discussion. We have to do the best we can in the present circumstances with such of the incomplete and defective information as has been made available to us or as has been obtained by us on our own.

This is an enabling measure and I welcome it wholeheartedly. It is a measure trying to amend an earlier Act of 1951, but being an enabling measure I feel very strongly on the point that the Government must have the means and the decision to make sure that once this Bill is placed on the statute book, the corporations which are sought to be set up within the ambit of the Bill are run properly, and I am here to say that they are not being run properly, and I would like my hon. friend to give the House evidence to the contrary. In another place in one of the committees of this House in which I had the privilege of working, this question came up last month, and I am now trying to analyse such of the information which we were able to obtain on request in that committee of the House, because I find that this 110-page document, which my hon. friend was good enough to send me and also to other friends does not give this information in the manner in which it was then sought to be given to us.

I would direct the attention of the House to the capital structure of these corporations. I have got here information for eleven corporations, whereas, I find now that there are thirteen in all. So far as Assam is concerned, the authorised capital is Rs. 2 crores, issued capital is Rs. 1 crore, the State Government's share is Rs. 50 lakhs, the Reserve Bank of India's share is Rs. 15 lakhs, and the share of the financial institutions like banks and insurance companies is Rs. 30 lakhs.

Shri Bansal: Insurance companies are now managed by Government. The hon. Member should bear that also in mind.

Dr. Lanka Sundaram: This document was given to us a few days ago. In fact, I shall have to quarrel with my hon. friend Shri Bansal in a little while about the suggestion he has made about the State Bank coming into the picture. I hope he will bear with me for a few seconds.

The capital structure of the corporation is based on a principle, which, to my mind, is unexceptionable, namely the broad-basing of the capital structure, and the placing of the capital responsibility on various shoulders. That is why I was reading out the capital structure. Now going back to Assam, I find that the share of the other investors—I take it that they are private investors—is Rs. 5 lakhs. In the case of Uttar Pradesh, the authorised capital is Rs. 3 crores, the issued capital is Rs. 50 lakhs, the State's share is Rs. 18 lakhs, the Reserve Bank of India's share is Rs. 7·5 lakhs, the share of the financial institutions is Rs. 19·5 lakhs, and that of the other shareholders, namely the private shareholders is Rs. 5 lakhs. In the case of Bihar, the authorised capital is Rs. 2 crores, the issued capital is Rs. 50 lakhs, the State's share is Rs. 20 lakhs, the Reserve Bank's share is Rs. 7·5 lakhs, the share of the financial institutions is Rs. 175 lakhs, and that of the private shareholders is Rs. 5 lakhs.

There are permutations and combinations, but I would like to draw one principle from the capital structure of the vast majority of the financial corporations that have been sought to be set up since 1953, namely the broad-basing of and the responsibility for finding the capital for the various corporations.

I deliberately chose to give the position in the case of Uttar Pradesh and Bihar, because these are some of the big States in our country. But we find here that the share capital is normally about Rs. 2 crores of authorised capital for almost every State corporation. It varies, according to the figures supplied to me officially, from Rs. 17·5 lakhs to Rs. 54 lakhs, out of Rs. 2 crores, *i.e.* up to four annas in the rupee. I consider, that taking together the contribution made by institutional investors like banks and insurance companies and also by private shareholders, up to five annas in the rupee, if not more, is supplied by institutions and individuals, other than the State Government and the Reserve Bank of India. I consider—and I am sure my hon. friend Shri A. C. Guha will not dispute my position—that this is a very proper and appropriate manner in which the share capital of any industrial finance corporation has to be raised.

This being the case, we in this House are charged with the duty,—because we are passing the legislation, and we are giving the enabling powers under which the financial corporations are to be set up; of seeing that these institutions are properly managed.

I was very keenly interested in some of the observations made by my hon. friend Shri Bansal, but I shall try to approach this problem from a slightly different angle from what he has chosen to take, in regard to the method of approach to this Bill.

Talking of subventions—this arises because of the guarantee of dividends —I find from the chart circulated to us by Shri A. C. Guha the phrase:

> 'Subventions as percentage of dividends paid'.

Who paid these? Obviously, the State Governments must have paid them; if not the State Governments, qua, they must have been paid at any rate, from a pool into which the funds of the Governments have been put. If the House would bear with me, I shall read out a few figures. These are astounding, as regards the manner in which dividends are sought to be guaranteed by Government for activities which are not there.

I shall try to develop the point in a minute, because I find that some of my friends are rather slightly surprised at the way in which I have put it, because I said 'for activities which are not there'.

In the case of Punjab, in the first year, the subvention given worked out to 93·3 per cent. of the dividend paid; in the second year, it was 53·7 per cent., and in the third year, that is, the last year, it was 47·7 per cent. In the case of Saurashtra, during the three-year period which I am now examining, the subvention given to the finance corporation by the State varied from 80·1 per cent. to 48·6 per cent. In the case of Bombay, it varied from 92 per cent. to 69·4 per cent. and to 54 per cent. And so it goes on. I have got here one example of Madhya Bharat where the subvention given is a hundred per cent.

Having said this, I would like to examine this from a different angle, from that adopted by my hon. friend Shri Bansal, as to what he called the expense-ratio. My hon. friend has given us figures here, and compared them with the figures of overall expense-ratios in U.K. in the first instance, and in the case of the Industrial Finance Corporation here, later on.

Here is a statement circulated to us by Shri A. C. Guha, with a certain amount of kindness, and I am going to quote it briefly. These are the figures regarding administrative expenses as percentage of the total income. Again, during the three-year period which I was examining, in the case of Punjab, it varied from 72·8 per cent. to 31·5 per cent. In the case of Saurashtra, it varied from 41 per cent. to 16·3 per cent., while in the case of Bombay, it varied from 63·4 per cent. to 23·5 per cent. I concede the point that it is going down. In the first year or the second year or the third year, the expenditure will be proportionately greater than in the subsequent years. In the case of Travancore-Cochin, which has been posed here as the most ideal example of a State Financial Corporation, it varied from 34·8 per cent. to 12·2 per cent.

And here is an extraordinary example. In the case of Madhya Bharat, it was 133·3 per cent. in the first year of its existence. In other words, whether you take it in terms of the capital structure, or in terms of the dividends, subvention or subsidy paid, the working of these institutions—considering the vital principles involved, principles, which I regret to say, have not been properly noticed by my hon. friend Shri Bansal a little while ago; I hope to come to them in a minute—has not been such as to give us confidence in their immediate and near future, with the result that some of us in this House, who have been rather concerned with the manner in which these corporations are sought to be managed—whether it be the Industrial Finance Corporation or the State Financial Corporations—have been anxious to have access to data; and I express my regret for the last time in this debate that my hon. friend was not able—I do not say, he was unwilling—to help us to get the data to which we are entitled. I hope, in future, as he has promised a little while ago, this default will not be there.

If the House will look into the Statement of Objects and Reasons, it will come across two very important statements. In para. 2, we find the reason why this Bill has been brought forward, namely that it is intended to overcome the difficulty felt by certain States in regard to the establishment of separate financial corporations. That is a very small point. Then, later down in para. 2, we find:

> "It is also proposed to amend section 25 of the Act, so that industrial concerns engaged in small-scale and cottage industries, not having sufficient tangible assets, may avail themselves of the financial accommodation from State Financial Corporation."

I ask, and I am prepared to yield ground to my hon. friend Shri A. C. Guha if my assumption is wrong, whether or not this is a pivotal point on the basis of which the amending Bill has been brought forward before this House. I shall put it in a positive way. In order to assist cottage and small-scale industries, this Bill has now been sponsored, so as to enable the propositions in the States to be processed, whereby every State can have a financial corporation, either in its own right, or in conjunction with neighbouring States. Or, to put it in other words, the paramount obligation undertaken by the Government of India, in terms of the Five Year Plan, and of the Second Five Year Plan in particular, to foster and build up cottage and small-scale industries is intended to be helped by this enabling measure.

If this is the case, then what is the performance of these State Financial Corporations? How are they placing their loans? What are the terms on which the loans are given? How are the loans serviced? How are they being recovered? These are three or four points which I shall briefly discuss with your permission.

At page 6 of the document which Shri A. C. Guha was kind enough to circulate to some of us, we find a tell-tale story.

With your permission, I would like to take this opportunity of pinpointing this very important issue. I am here to say without any compunction at all that, as stated in the Statement of Objects and Reasons, this Bill enabling the State Financial Corporations to be formed and to function within the ambit of the Bill, will not assist cottage and medium scale industries, all because of the fact that the interest rates are unconscionable. I am amazed to know the manner in which interest is sought to be collected by the various State Financial Corporations. I am quoting from the statement given; if there is any adjustment—I say this because there is a note by the Finance Ministry to the effect 'subject to verification'—I am prepared to stand corrected.

I am sure the House will realise that basically these interest rates as given at page 6 of the 110 odd pages of notes supplied by Shri A. C. Guha, will not be disputed as being incorrect. In the case of Punjab, the rate of interest per annum is 6½ per cent.

Shri Bansal: The rate is 6½ per cent.

Dr. Lanka Sundaram: I am coming to it. I hope my hon. friend will bear with me for some time.

In the case of Saurashtra, it is 6 per cent., Bombay 6 per cent., Travancore-Cochin 6½ per cent., Hyderabad 6 per cent., West Bengal 6 per cent., Assam 6 or 7 per cent., Bihar 6 per cent., U.P. 5½ per cent., Rajasthan 6 per cent., Madhya Bharat 6 per cent. and Andhra 6 per cent.

My first question is this: since this hon. House is passing this legislation, why was not a uniform rate enforced all over the country? Why does not the Finance Ministry, or for that matter, the Reserve Bank of India, use its good offices to make sure that there is one uniform rate of interest for every part of the country where there is a State Financial Corporation functioning? I think the House is entitled to an answer. I hope the Minister will, while replying to the debate, answer this point.

But this is a small point compared to the bigger issue. Why should the State Financial Corporations try to function as Kabuli moneylenders? What is the bank rate? What is the difference between the bank rate and the rate sought to be collected from the so-called cottage and medium-scale industries, to benefit which the State Financial Corporations are being maintained in this country? Where do the cottage and medium scale industries get the money from to pay these exorbitant rates of interest? I know that in certain other countries like Germany and Japan, there is provision for a higher rate of interest; I am not unaware of that. But I ask, in the peculiar economic and other circumstances of this country, can this schedule of interest rates, ranging from 5½ per cent. to 7 per cent., be considered equitable? Leave aside equity. I ask him, can he tell me that on the basis of these interest rates, cottage and medium scale industries can be fostered in this country? And what is the purpose of the Government giving such huge subventions, concerning which I quoted figures a little while ago, if the interest rates are not reasonable and within the means of the average people in the villages? These are questions of vital principle, and these are questions which must be discussed not only within the ambit of the objects and reasons of this Bill as stated by the Minister in the docu-

[Dr. Lanka Sundaram]

ment before us, but also in terms of the implications of the most important clauses of the Bill itself.

I hope, now that this debate is going on, Government will make an attempt to ensure that these rates are completely watered down, that these rates will not become unconscionable, that these rates will be reduced to a reasonable level which will enable the applicants for loans from these Financial Corporations to obtain them in a manner which can be serviced by them out of the profits they make. Unless and until this particular question of interest rates is tackled properly, I regret to say that this Bill will not be helpful as far as the fostering of small scale and cottage industries, in terms of paragraph 2 of the Statement of Objects and Reasons of the Bill and the statement made by Shri A. C. Guha, is concerned.

There is one aspect of the question which I would like my hon. friend, the Minister, to examine and give us information about. Here I would seek your guidance. In the Joint Committee on the States Reorganisation Bill when the question of the division of assets and liabilities of the Bombay State Financial Corporation came up for discussion, some of us raised these issues. We sought information and we found—I do not know how far I can give the House that information which is rather scrappy, and which, in any case, is related to one single Financial Corporation—that the vast proportion of the moneys so far lent have been written off or taken for granted as bad debts. Now, I would ask my hon. friend to tell us—because the House would like to be enlightened about it and I am sure he would undertake this obligation—as to what amount of money so far actually lent has been considered as good investment.

Here, according to the information which I was able to collect—outside the scope of the note which Shri A. C. Guha was good enough to supply us —I have figures as follows. For the 11 Corporations, for which I have got information here, the total authorised capital is Rs. 23 crores, the issued capital is about Rs. 10·5 crores, the State Governments' share is Rs. 34·7 lakhs, the Reserve Bank's share is Rs. 1·40 crores, the share of the financial corporations is about Rs. 40 lakhs, and that of other investors about Rs. 60 lakhs. You have to take the total amount of money placed in terms of investments. I am sure my hon. friend, Shri A. C. Guha, will not grudge making an investigation right now so that when he replies to the debate, or at any rate, at the time of the third reading of this Bill—there is still time for us to wait for that—the House is enabled to know how much money has been wrongly invested, has almost been written off as bad debts.

I am here to say with a sense of responsibility based upon my little investigation, both official and non-official, that 50 to 60 per cent. of the total money so far lent can be written off as now irrecoverable. If I am wrong, I would like to be corrected by my hon. friend, Shri A. C. Guha. If this is the position of the State Financial Corporations, what is the duty and obligation of this House in terms of making legal provisions for their functioning in future and for seeing that they are tightened up?

I would not like to make a political speech on this occasion. But I would like to say this. The manner in which applications are processed by the various State Financial Corporations is something which has got to be looked into immediately. I am sure the Government of India, in terms of the fairly enormous powers that they have today under the provisions of this Bill, even as under the provisions of the 1951 Act, can give directives to the States to ensure that there is no case of favouritism—I would not say anything more—in terms of the granting of loans.

I have some experience of my State. Even though it came into existence only in 1953, it was before a part of Madras. Whenever an application is made, that application has been straddled—I use this word deliberately—by so many conditions. So many people come into the picture and so many intermediaries have got to endorse it, with the result that the very object, the *bona fide* object of helping industries which are sought to be set up in the cottage and small sectors, will not be served, however *bona fide* the application may be.

So when this House is passing a Bill of this character, there must be an assurance given to the House by the Minister that the Government of India will not just pass a law and put it on the Statute book and allow the State Financial Corporations to function as they please. In other words, some sort of mechanism should be available whereby (a) the Reserve Bank—I know there are provisions to this effect; but, to my mind, they are not adequate—(b) the Government of India—I know there are provisions about it here also, but I am prepared to say that they are not adequate—and, more than everything else, (c) this Parliament are able to have access to adequate information as to the manner in which the State Financial Corporations are functioning.

Finally, I say, if it is the objective of the Government of India—I am sure that in regard to this objective there is not going to be one dissenting voice in this entire House—to help small scale industries, for God's sake, make it a proposition which is within their means. Do not become Kabuli moneylenders and let these Financial Corporations charge 5½ per cent. to 7 per cent. interest. I have done.

2 P.M.

Shri V. B. Gandhi (Bombay City—North): Mr. Speaker, Sir, this is a Bill, which deserves the wholehearted support of the House. This Bill provides for things which have been necessary, things without which the State Financial Corporations could not be expected to function to their full capacity. Now, we must consider this Bill against the background of our problem: the problem of finance for industries, the problem of the supply of credit for industries. In other countries a great deal has been done, but in our country this question of supply of finance, supply of credit for industries has been woefully neglected. Now, finance for industries, or credit for industries, can be made available through appropriate financial institutions, because it is these institutions which rely not only on their own paid up capital, their own resources, but they have the capacity to mobilise the resources of the community and make them available for industrial concerns which need such finance. This is a very necessary part in the structure of financial credit in a country.

We in this country took our first step in 1948 when we established the Industrial Finance Corporation. This we followed up shortly by two other very important and very appropriate institutions to help industrial development. One was the NIDCO, the National Industrial Development Corporation and the other was the Industrial Credit and Investment Corporation. So far as these three institutions go, and so far as they are designed to serve the needs of large scale industries, they are all for the good. Even with these three institutions, there is still a gap left in our structure of supply of credit, supply of finance for industries and particularly that portion of our industrial sector, that portion made up of small scale and medium scale industries still remains without any finance or any credit being made available to them. This gap it was intended

[Shri V. B. Gandhi]

would be filled up by the State Financial Corporations.

As I said, these corporations and similar financial institutions mobilise the resources of the community. Now, look here. Here the present State Financial Corporations have paid up resources of about Rs. 10 crores. We might note particularly that out of the Rs. 10 crores something like Rs. 3·72 crores of the subscribed capital came from scheduled banks and other institutional investors. We know very well that normally the scheduled banks and other institutional investors that made this capital available are not expected to finance industries on their own. Usually they do not. But by securing their capital from these scheduled banks and other investors to the extent of Rs. 3·72 crores these State Financial Corporations in a sense have mobilised a part of the resources which would otherwise not have been available to industry. Now that is not all. Their present paid up capital as I said is about Rs. 10 crores. But these State Financial Corporations are empowered to sell bonds, debentures, to give guarantees, to underwrite issues to industrial concerns. By all these means under the existing Act they can increase their resources to five times their paid up capital. So, here they have their paid up capital of Rs. 10 crores; they have this other capacity already provided in the principal Act, in the original Act to increase their capital up to 500 per cent., that is Rs. 50 crores. That is not all. They can also take fixed deposits, long-term, up to the extent of their paid up capital; that is another Rs. 10 crores. In other words, these institutions have this capacity of mobilising these resources. Their own resources are Rs. 10 crores, but they can have additional resources when, of course, they are going full blast of Rs. 60 crores. Now all this is based on their paid up capital today which is Rs. 10 crores. But their authorised capital is Rs. 25 crores and I am quite sure when the need arises this paid up capital will not remain where it is but can certainly be taken up to its full limit of Rs. 25 crores. Thus the State Financial Corporations can have additional resources of Rs. 150 crores. That is the measure of usefulness, that is the measure of strength, the key to the usefulness of these institutions.

Something has been said about the showing that these institutions have made in the last few years. I really do not think we can fairly give judgment on their showing in the short period of time during which they have been in existence. The seniormost one, the earliest, came into existence only three years ago on the 1st of February 1953 and the youngest I think is hardly six months old. Financial institutions are not built in a day. They take time and they would take more time in a country like ours where all the other relevant conditions that are necessary for quick development of such institutions have still to be built up. That is really the position. We would certainly have liked it very much if in this short space of time the institutions could have done better, but we should look to the other side of the picture. If their administrative expenses had been rather high in the beginning we can look to the fact that these expenses have been progressively going down year after year and that is important. If the available funds of these financial institutions which have so far been utilised in loans and advances make up a percentage of only 27 on the average we can still look to individual instances of some of these corporations where the percentage of funds utilised for loans goes up to as high as 59·15 per cent. and 60·70 per cent. These are, I think, not very bad showings. I see here that some of these corporations were very liberal in sanctioning loans, that in one case almost 71 per cent. of the loans applied for were sanctioned. In another case 79 per cent. of the loans applied for were sanctioned. Now I think given some time and given some encouragement and also if we remove some of the impediments which are there and which are real for these corporations, as we propose to do in this Bill, much more can be legitimately expected from these corporations. Now, why have these corporations not done as well as Members in this House would have liked? On the one side, there have been certain deficiencies in the provisions of the principal Act, and, on the other hand, there have been certain shortcomings in the kind of structures we have in our small-scale and medium-scale industries. After all, these industrial concerns, the medium and small-scale concerns, before they can be eligible for a loan, have to possess a certain form of organisation, some kind of appropriate structure of their own. This will need some education; this will need some encouragement. Of course, the Financial Corporations, when they are advancing help are not advancing it as charity but as business finance. Therefore, the concerns which expect help from these corporations have to prove their credit-worthiness and all these things, as I have said, are going to take some time.

Let us see how far the Bill before this House tries to remove some of the impediments in the way of these Financial Corporations and how far this Bill makes it possible to expect a much more useful life for these Corporations. Let us begin with clause 2. The whole trend of all the clauses in this Bill is towards widening the scope of the Financial Corporations' power to grant loans. The whole trend is towards bringing more and more of industrial concerns within the definition of concerns eligible for loans. That is really what the Bill is seeking to do.

[MR. DEPUTY-SPEAKER *in the Chair*]

2-12 P.M.

In clause 2, for instance, we are widening the scope of the definition of 'processing'. This one provision alone will enable a large number of concerns to become eligible for loans, who, previously, or in the absence of this new definition, were not entitled to any loans from the Corporation.

Then, in clause 4 and clause 24, we are providing for Joint Corporations. What does that mean? In cases where the Joint Corporation is going to be brought into existence, what is going to happen? A territory which, formerly, could not afford to have a Corporation of its own but would like to join hands with a neighbouring territory can make industrial finance available within its own territory because of this joint effort of two or more territories. In other words, more industrial concerns will be brought within the purview of the operation of the industrial finance made available by these Corporations.

Then, again, the Corporations are going to be allowed to take up agency functions. That, in a way, will bring these Corporations in close touch, into some kind of intimate contact with industrial concerns which have been borrowing from other bigger institutions like the Industrial Finance Corporation or the I.C.I.C. That is one thing good so far as the Corporations are concerned. In clause 12(b), we are doing something really very great for these Corporations because these Corporations were formerly precluded from granting financial accommodation to industrial concerns unless these concerns were in a position to give some kind of security in the shape mortgage or some sort of hypothecation of approved kinds of assets.

We know very well that in our country if the small-scale industries are really going to be helped in the manner they deserve to be helped, then to insist in each and every case that certain types of acecptable securities alone will entitle them for financial assistance, I think, would make our effort almost without any meaning. Under this provision, the Corporations are going to be allowed

[Shri V. B. Gandhi]

to accept the guarantee of the State Government or guarantee of a Scheduled Bank or guarantee of the State Co-operative Bank. Thus, we are immediately throwing open the facilities of these Financial Corporations, the assistance of these Financial Corporations to a very much larger number of industrial concerns which, of course, will be selected individually by the State Governments or by the Scheduled Banks or by the State Co-operative Banks who will be willing to stand guarantee.

Through all these new provisions, I think, we are providing for greater usefulness of these State Financial Corporations and, perhaps, in a few years from today, I hope, when this House has another chance to consider the functioning of these Corporations, most Members will have a more satisfactory record of these Corporations to consider.

Finally, before I close, I just have one or two comments to make. In clause 17, which provides for a new section 32D, we deal with compensation for termination of contract of managing agents and managing directors etc. Here the right of the managing agents and directors for any kind of compensation is taken away. I really do not know whether it is quite a wise step to take. I will tell you why. I would have preferred if Government had reserved some kind of discretion to itself in this matter rather than definitely barring any consideration of compensation. It is quite possible that managing agents and some managing directors may find that their companies have come to grief not for any fault of their own but, perhaps, by sheer misfortune. It is quite conceivable. In Industrial concerns, models might become obsolete, substitutes might come in the market and something might happen and for no fault of these managing agents the companies might come to grief. Supposing the Government takes over these concerns and these men are turned out without any consideration of compensation, I do not know, if that is what is really intended. If Government had reserved some discretion to itself, probably there was some way out.

There is another reason, and a very important reason. These men, who are in control of these concerns and who are receiving assistance from the State Financial Corporations know well in advance, before anybody else does, how their affairs are going and if they can see that in spite of all that they can do, these affairs are going to end in a disaster and if they know from this provision that they will be entitled to no compensation, then it will be only human to expect that they will so arrange the affairs there that by the time the Corporation takes over the concern, there will be precious little left for the Corporation to take over. If, instead of that, some hope is provided or is left for those in control that if their *bona fides* are proved, some consideration will be given to them, I thought that perhaps would have meant we were dealing with the problem in a little more rational way.

Finally, I support the amendment moved by the hon. Minister to clause 21, about the inspection by the Reserve Bank. The original provision in the Bill left the matter to the initiative of the Central Government, whereas the amendment as proposed by the hon. Minister now gives the initiative to the Reserve Bank, and that is as it should be. Because it will be the Reserve Bank who will be in a position quickly to understand which way things are going, and the Reserve Bank should be placed in a position of taking quick action. Therefore, I support that amendment.

Shri M. S. Gurupadaswamy: The State Financial Corporations Act was passed in the year 1951, and the Corporations began to be born after nearly two years of the passing of the Act. That is an unpardonable delay on the part of the powers that be. The first Corporation actually came into existence after 1½ years of the passing of the Act. Even now, after nearly five years of the passing of the Act, we have not been able to form Corporations in all the existing States. There are still States left without any Financial Corporations. So, the delay has been very long, unpardonably long, and the Minister, in his preliminary remarks, has not been able to give us any satisfactory justification for this long and dangerous delay.

The Minister said in his opening remarks that the Corporations are in an infant stage because they have been started only recently. I agree that the Corporations have not lived for long and their tenure of life has been very very small. But may I ask whether within the time available to these Corporations, they have been discharging their duties properly, efficiently and satisfactorily? I feel that if you look at the summary of the working of these Corporations supplied to us, you will appreciate that the Corporations have been condemned to infantile paralysis because of intolerable inertia on the part of Government in giving proper and effective guidance to these Corporations. There are also other reasons why the Corporations have failed miserably to achieve the objectives for which they were started. For instance, take the question of obligations imposed on these Corporations. There are four main obligations which have been thought of: firstly, the Corporations have to underwrite the issue of shares, bonds or debentures by industrial concerns on commission basis; secondly, they have to guarantee loans raised by industrial concerns repayable within a period of 20 years on commission basis; thirdly, they have to invest in industrial stocks, loans and debentures of companies in consequence of underwriting liabilities subject to their disposal within seven years; and fourthly, they have to grant loans and advances or subscribe to the debentures of industrial concerns repayable within a period not exceeding 20 years from the date on which they are granted or subscribed. Except one obligation, the Corporations have failed to carry out other obligations. They have been concentrating since the start only on loan operations, and till today I find in the whole summary given to us not even one single instance where any single Corporation has come forward to underwrite the issue of shares, bonds or debentures. They have not in any single instance guaranteed the loans raised by industrial concerns outside the Industrial Finance Corporation. Though the objectives for which the Corporations are started are very many, as many as four, the activities of the Corporations have been confined to one single purpose and for a very narrow purpose. Very shortly I will deal with the question whether even that single purpose had been carried out properly or not. You will see therefore that the Corporations have not made a good start; and they have not been able to meet all the requirements which are expected of them. I say, that the Corporations were condemned to infantile paralysis because of the inaction of the Government or by sheer inertia of the Government.

Now, we must know on what grounds the loans are given to the various industries. Here are listed various grounds on which loans are allotted. I may read the grounds and they are very brief. The loans are allotted on the basis of (a) financial soundness of the concern and its prospects of increasing its output and margin of profit, (b) technical soundness of the scheme, (c) adequacy of securities in the form of tangible assets, (d) adequacy of the extent of loans asked for, (e) satisfactory title to the property to be mortgaged in respect of its marketability, (f) creditworthiness of the operating concern and available guarantee of the managing agents, and (g) importance of the industry for the national

[Shri M. S. Gurupadaswamy]

economy of the State. You will immediately appreciate on going through these conditions that they are overlapping and that they are, in a way, responsible for the delay in the loan transactions. I can understand that the corporations should enquire into the financial soundness of the company or the industrial concern before granting loans; it should also get adequate security. When these two are there, why bring creditworthiness again? If you are satisfied with the financial soundness of an industrial concern, where is the question of credit-worthiness? Is it not obvious? Again, if it is financially sound and has got prospects of increasing its output, why are you demanding tangible assets? Without them, how can there be any prosperity for a concern? So, these conditions have been so framed that they are not only overlapping but they place insurmountable obstacles in the way of an industrial unit for getting loans. An applicant has to satisfy so many absurdly complicating conditions.

The last condition is really strange. The corporation should consider whether the industry is of national importance or not. We are dealing with small-scale and medium-sized industries; they are all, in a general way, of national importance. We are not dealing with these industries from a narrow point of view in the sense whether certain industries are basic. Take, for instance, the iron and steel industry, or the coal industry. They are key industries of national importance. How can you bring in that condition and apply it to these small-scale industries? Either you accept the proposition that all industries are important or you assume that certain industries are basic and are very important for the nation and that the rest should be considered on a different footing. On the ground that a particular industry is not of national importance, an application may straightaway be rejected. The procedure has imposed so many severe restrictions on the applicants and they are not able to take advantage of the loan facilities offered. Thus, the purpose of the financial corporations is not served.

Many hon. Members have drawn the attention of the House to various other matters. But, I feel that the most fundamental thing is the long and tardy procedure and the very leisurely way in which things are being done by these corporations.

There is one other important point. What is a small-scale industry? No Government, either at the Centre or in the States, has defined it in precise terms. It is only in Bombay that they have defined it roughly, mainly on three considerations: namely, the capital resources of the concern, the number of people employed and the amount of power used—whether it is electric power or other power. These are the basic criteria on the basis of which a decision is taken as to whether an industry is small-scale or medium-scale. In no other State have any such criteria been laid down. This Bill deals with such industries but you do not know what a small-scale industry is or what a medium-sized industry is. We are going in a blind alley. Many difficulties have arisen on account of this fact. Without a proper definition of these things, it is not possible to have a clear notion of the jurisdiction of the respective corporations.

I know a particular instance where an industrial concern wanted a loan from the State financial corporation. The reply came that it should apply to the Industrial Finance Corporation. They showed their hands towards Delhi. The ground given was that it was a large-scale industry. Unless you have got a clear, categorical and precise defintion of the small, medium and large-scale industries, it is not possible for the corporations to transact business quickly.

An hon. Member spoke about the high rate of interest. I am in agreement with him. The interest charged by these corporations is not uniform or equitable. The rate is very high; it varies from five to seven per cent. The banks charge interest on loans at 3-4 per cent. Even the national loans are raised at four per cent. Then, why should the loans given to private industries be charged such a high rate of interest? How do you expect the industrialists to put up with all your formalities which take a very long time and at the same time this tremendous amount of interest is charged? Most of the industrialists do not come to these corporations for assistance for the simple reason that the rate of interest is high and there is also a great delay.

Then, while granting loans, there is always discrimination and favouritism. There have been too many doubtful and bad debts. What is the reason? No reason is given in this report. It is because very bad and doubtful people are getting loans. Loans are granted on political considerations, as a result of political pressure brought on the corporation members. There is political exploitation of this financial responsibility. I may say further that these corporations are completely subject to political pressure from certain quarters. That is why, they have failed in their work.

Lastly, I may say that the ratio of administrative expenses to income and paid-up capital is rather alarmingly large. The avearge ratio in respect of Saurashtra and Travancore-Cochin is 15 per cent and 17 per cent respectively. In the case of Hyderabad and West Bengal it is about 28 per cent and 22 per cent respectively. In the case of Bombay and Punjab it is 33 per cent and 37 per cent respectively. If you look at these ratios, it looks as though the main work of these Financial Corporations is to meet the administrative expenses, their own expenses, and not to meet the requirements of the industry. I do not think the Financial Corporations have been established for the purpose of financing themselves or meeting their own administrative requirements. It is not for that purpose that they have been established. But, unfortunately, the figures would leave the impression on the minds of Members that these Financial Corporations have not done anything except to meet their own day to day expenses. It is very unfortunate. Shri Bansal was good enough to give us certain figures of foreign countries where this administrative expense is very very small. Even in the Industrial Finance Corporation administrative expenditure is comparatively small. I do not know why such huge expenses are allowed in respect of the State Financial Corporations. I do not know why a limit has not been imposed by the State Governments, by the Reserve Bank.

Finally, Sir, I may say that there is no co-ordination between the Centre and States in respect of these financial institutions. Today the Congress Party is running all the State Governments. There is only one party, and it is normally expected of that party, which is manning all the State Governments, to have better co-ordination in respect of these institutions. I feel, if steps had been taken by the Government at the centre and the Governments at the State level, there would have been better co-ordination, better functioning and better integration of the policies and there would have been no slackness on the part of the State Financial Corporations in respect of the various transactions.

Shri M. K. Moitra (Calcutta—North-West): Mr. Deputy-Speaker. Sir, this Bill is an enabling Bill. The State Financial Corporations (Amendment) Bill proposes mainly to establish joint State Financial Corporations by agreement among several States. It also proposes to lay down certain rules for management of the concerns the corporations will take over. There is also a provision in this

[Shri M. K. Moitra]

Bill to empower the Reserve Bank of India to arrange for inspection of the working of the corporations.

The hon. Shri V. B. Gandhi, in the course of his speech, has been pleased to say that the purpose of such Financial Corporations is to mobilise the wealth of the community and in that respect these corporations will one day succeed. The purpose of these corporations may be to mobilise the wealth of the society, but the success of these corporations will be measured by how far this mobilised wealth of the community can be utilised for assisting the growth of small and medium sized industries. From that point of view I must say that the working of the State Financial Corporations in different States gives a very sorry picture.

A review of up-to-date working of these corporations cannot but create a feeling of disappointment about the activities of these corporations. The corporations have so far been able to give no significant help to small and medium sized industries. Not only the aggregate value of applications for loans made by individual concerns is small but there is a visible gap between the total loans applied for and the loans actually sanctioned. Out of 514 applications received by the 5 corporations up to 31st March, 1955, only 114, or 22·17 per cent, have been fully sanctioned; 130 are pending; 191 applications have been rejected or withdrawn and 78 have been referred to other agencies. The picture of 1955-56 is also not very encouraging. In 1955-56 in Travancore-Cochin, there were 26 applications asking for loans to the amount of Rs. 54.95 lakhs, but loans to the amount of Rs. 23·6 lakhs have only been sanctioned. That is the case in Hyderabad also. In Hyderabad State there were 23 applications in year 1955-56 asking for Rs. 31·10 lakhs but only 9 applications to the amount of Rs. 4.58 lakhs have been sanctioned. In Bombay also the same story is repeated. In Bombay there were 56 applications for loans and only 29 have been sanctioned, the amount of loan sanctioned being Rs. 60.456 lakhs. In Punjab there were 56 applications in 1955-56 asking for Rs. 70.17 lakhs. Out of those 56 applications only 33 applications for Rs. 39.57 lakhs have been sanctioned. In West Bengal it is really discouraging. There were 67 applications asking for Rs. 170·89 lakhs of loan and only 9 applications have been sanctioned granting a loan of Rs. 28·77 lakhs.

This is not all. The purpose for which loans are to be sanctioned under this Act is to help the medium and small-scale industries. Sir, in West Bengal textile mills, glass works, pottery works, which by no stretch of imagination can be brought under the category of small or medium sized industries, have got loans from these corporations. It may be said that there were considerations other than financial which weighed with the management of these corporations and, as my preceding speaker has pointed out, political considerations very often weigh with the authorities concerned in the sanction of loans.

The most important cause for rejection of applications for loan has been the unsatisfactory nature of securities offered. I must say here that, especially, the small-scale industries are always under-capitalised. If you rigidly apply the laws that banks apply in having securities before granting loans, you cannot possibly assist the small-scale industries. Most of the small-scale industries and many of the medium sized industries have neither their own land nor their own building, and this is the sort of securities that these corporations demand before granting any loan.

From the point of view of assistance, medium and not small sized concerns have been the major recipients of these loans. As regards period for which loans are sanctioned the medium sized industries are more fortunate.

If we examine the working of these Financial Corporations during the last few years, we will find that small-scale industries which are always under capitalised have not been able to secure loans from these Corporations. The medium scale industries have been more favoured in this connection.

I am going to give certain figures. In Hyderabad, out of 20 recipients of loans, nine are only small-sized industries. They received only 7·67 per cent of the total loans sanctioned. In Saurashtra also, three out of 27 industries that could secure loans from these Corporations were small-scale industries, and they received only 4·8 per cent of the total loans sanctioned. In Bombay, the same story is repeated. 70 concerns received the loans, and out of these 70, only 23 are small-scale industries and they received only 11.03 per cent of the total loans sanctioned. Thus, you will see that the small-scale industries which require assistance from the Government, and which cannot arrange for credit in the market, have not been favoured with loans in a just manner. Their cases have frequently been neglected.

The failure to assist the small units are due to the defects inherent in the constitution of these Corporations. The Corporations have not been constituted in a manner so as to be able to render financial assistance to small units. Loans and advances are not given in the nature of cash credit arrangements. The securities do not include stocks also, but only tangible assets. Shri V. B. Gandhi has just mentioned that in this Bill, it has been proposed that if either the Government or some other associations give guarantee for the industries asking for loans, then loans will be sanctioned. But that is another way of bringing in political pressure in the matter of granting loans. The persons will have to go to those people who carry influence with the management of these Corporations and thus, the object of granting financial assistance to the small-scale industries, which require it most, will be frustrated.

From the point of view of meeting long-term financial needs of the small and medium-sized concerns, the activity of the State Financial Corporations has so far been a record of failure. The small and medium industries, especially the former, are not in a position, financially, to avail themselves of the facility rendered in the form of long-term mortgage loans at a rate of interest higher than what they could afford to pay. This high rate of interest has been strongly commented upon by Dr. Lanka Sundaram and also by the previous speaker.

One fails to understand how the Government, which wants the rapid industrialisation of the country, will charge an interest which is charged by the trading concerns like the mortgage banks. Where then is the help? That is what puzzles me. To be of any practical help, the lending power of the Corporations should be widened, and it should be wide enough like the Industries and Finance Corporation of England, whose lending method has been prescribed before-hand and which extends its financial assistance in the form of suitable to the borrowing concerns. If you look to such concerns in England, you will see that they have not asked for credit for the money they will lend, but they have always looked to the suitability of the concern—whether the concern which asks for help is suitable for rendering such help. Even the question of giving security has been dispensed with in some cases in England. Not only in England but in Indonesia also, a country which is far smaller than India and which enjoys a far less reputation in international field and in international bodies, they have prescribed easy rules for assisting the small industries. But, in India, we

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find that the State Financial Corporations have not even framed easy rules for helping and really assisting the small-scale industries.

I have shown that the small-scale industries have not been favoured with loans. Their applications have been rejected and even the terms on which the loans were granted are far less favourable to those of the medium-scale industries.

Lastly, I shall refer to one more provision in the Bill, namely, the provisions for inspection. I have referred to certain mismanagements in the State Financial Corporations. The working of those Corporations requires inspection. I am glad that the Government have proposed such an inspection. But what is the sort of inspection they have proposed? They have proposed that if the Central Government directs, then, the Reserve Bank of India will inspect the working of any Financial Corporation. Even the Reserve Bank of India has not been given the right to inspect annually the working of the Financial Corporations. In this year of grace, I wonder why the Reserve Bank of India has not been given the right to inspect annually the State Financial Corporations, against which there have been so many complaints. I will go further and say that the inspection should not only be made by the Reserve Bank of India but it should be done by the Comptroller and Auditor-General. Instead of making such a provision, the right of inspection has been reserved to the sweet will of the Central Government. Only if the Central Government likes, it will ask the Reserve Bank of India to inspect the working of the State Financial Corporations.

I would request the hon. Minister to see that the Corporations are really able to function, and function in such a way that the small-scale industries and the medium-scale industries may receive real assistance from the Corporations.

Shri A. C. Guha: I think most of the Members have concentrated their attention more on the working of these Corporations than on the provisions of this Bill. This is an occasion on which the Parliament can make a sort of review of the working of the Corporations formed under a statute passed by Parliament. So, I would welcome this discussion.

In my introductory speech, I admitted that the Government were not satisfied with the working of these Corporations during the last two or three years, and this is why the Reserve Bank of India took up this matter and initiated a sort of discussion with the representatives of all the State Financial Corporations. On the basis of the recommendations arising out of that discussion we have come before this House for amending the Act.

3 P.M.

In my opening speech, I had stated that the failure of the State Corporations to fulfil effcetively the charge entrusted to them was due to some extent to the rigidity and rigorous character of the provisions of the Act and to some extent to the very structure, technique and nature of the industrial concerns which can apply or may be entitled to apply for the loans. I hope that at least Shri Bansal would know the position of the small-scale and medium-scale cottage industries; they can hardly be called to be in the organised sector of the industry. It is not always possible for them to get the necessary security or guarantee for loans and I hope he will not suggest that the State Financial Corporations should lend money without any security whatsoever, taking the risk of losing the entire amount. There have been criticisms from two opposite directions: One is that the State Corporations have not been able to earn much and the statutory obligation of giving some dividend has to be fulfilled only with the substantial help of the State Government concerned. At the same time, criticism has been made, particularly by Dr. Lanka Sundaram, that most of these loans would be written off as bad debts. I think we can only take a sort of middle-path, taking some amount of calculated risk and also paying proper attention to see that a fair amount of the money lent out may come back with interest, so that the statutory obligation of giving dividends may not have to be met by the State Governments, but may be met by the earnings of these Corporations. If the Corporations are to earn some profit, naturally they will see that investment is made with some amount of security for the repayment of the principal and also interest. I hope the House will realise this aspect, namely, that the Corporation cannot function just as a banker with more or less 100 per cent. security for the investment, nor at the same time they can go on recklessly lending out money to any concern coming to it for loan. It has to chalk out a middle-path, taking some amount of calculated risk and at the same time taking care to see that certain income also may be earned.

The other day as well as today, some Members raised the point of the annual reports being placed on the Table or supplied to them. If Members look at clause 38(b) of the Act, they will find that the State Financial Corporations are to submit their reports to the Reserve Bank and also to their State legislatures. The annual report is also published in the gazette of the State concerned and the gazettes of all the different States are available in the Parliament Library. So, in a technical sense I can say that the reports have been laid in the library. But, I do not like to take that point of view. I know it would not be possible for Members to search out the reports from the various State gazettes for two or three years. For the future, I shall see that the reports are placed in the Parliament Library. At the same time, I should like to point out that the Act passed by this House has provided for the obligation of these Corporations to present the reports to the State Legislature concerned and not to the Parliament. That is the provision made by this Parliament. So, if any lapse has been committed, I do not think a poor Minister like myself should be taken to task for that lapse on the part of the Parliament. Anyhow, for the future, I shall see that the annual reports are made available in the library.

Mr. Bansal and Mr. Lanka Sundaram have referred to expense ratio. Mr. Bansal has tried to calculate it on the basis of the investment. That point of view may be taken if one looks to the performance of these Corporations. But, I think from the point of view of commercial accounting, it would be more appropriate to consider the expense ratio with the income earned. Let hon. Members look at page 14 of the report. Surely, for the first one or two years nobody will expect that the profit will be anything considerable, because the investment of money might have only just started and no interest can be collected. We can get some result only after the third or fourth year. In most of these cases, the administrative expense ratio has been coming down considerably. For the last three years, the figures are as follows: Punjab 62 per cent. for the first year, 37 per cent. for the second year and 31 per cent. for the third year; Saurashtra—40 per cent., 17 per cent. and 16 per cent.; Bombay—63 per cent., 33 per cent. and 23 per cent. Even in the case of West Bengal, in which Mr. Basu is very much interested, the expense ratio was 46 per cent. for the first year and 28 per cent. for the second year. Thus it will be seen that the expense ratio has been coming down considerably year after year.

Referring to clause 12 of the Bill, Dr. Lanka Sundaram has said that cottage industries will not get anything. He was almost sure about it though it is provided, not exactly in the Bill, but in the Statement of Objects and Reasons, that small-scale and cottage industries may also be eligible for getting loans from these Corporations. In this connection, he mentioned the prevailing rate of

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interest. Generally, the rate of interest is between 6 and 7 per cent. That, he has termed as *kabuli* rate. If he had referred to the bank rate or the rate at which organised industry can get loan from the commercial banks, he would not have used this appellation to this rate of interest. In this connection, I would also like to draw the attention of the House to the rate of interest prevailing for agricultural credit. The Reserve Bank has been giving credit to co-operative banks at a very much subsidised rate, I think 1½ per cent. But, still, it has not been possible for the co-operatives to give loans to individual cultivators at less than 6¼ per cent. In some cases, even now, in spite of all our attempts to reduce the rate of interest and repeated reminders and circulars, I think the rate of interest prevailing is near about 10 per cent. Even at that rate, I think, the cultivators can afford to repay the principal and pay the interest also.

In the case of these corporations, Dr. Lanka Sundaram said that 50 to 60 per cent. of the loans would be written off as bad debts. I am not aware of his source of this alarment view. From whatever information we have been able to gather, I think there has hardly been any default in the repayment of the instalment of principal or the payment of interest. I would not say there has not been any default at all; but it is not in a measure to cause concern, or say that 50 per cent. or 60 per cent. would be bad debt. Rather I would say that most of his money would come back to the corporations with interest.

Shri V. B. Gandhi mentioned about the provision in clause 17,—the new section 32B. I think he was referring to sub-section (b) of section 32B. He has taken objection to the rigid wording of that clause by which any previous contract of the managing agent with the industrial concern which may be taken over by the State Financial Corporation would automatically terminate. His apprehension is that this may mean hardship to some of the managing agents who may not have behaved in any reprehensible manner or might not have been guilty of any improper acts. He thought that there should have been some discretion left with the Government for such cases. That clause is just a word for word reproduction of section 30B clause (b) of the Industrial Finance Corporation Act. This is a recent amendment put in in the Industrial Finance Corporation Act only, I think, a year ago. Moreover, this provision does not put any ban on the Government to make a new arrangement with that managing agent who might not have been guilty of any improper act, but might have been a victim of circumstances for the failure of that concern and in meeting the obligations of the State Financial Corporations. In such cases, the Government may take into consideration the performance of that managing agency and there may be some future arrangement with them. There is no ban on such future arrangement. But, I think legally it is proper that automatically all the financial obligations with the managing agent of the industrial concern should end as soon as the State Financial Corporation takes over that concern.

Something has also been said about creditworthiness. I think Shri M. S. Gurupadaswamy, in his usual vigorous manner, has tried to prove that this criterion is absolutely wrong and rather wicked. I have mentioned previously that unless these corporations also take some care of their investments, it may be that all these investments may go wrong. Some creditworthiness of the loanee is surely to be enquired into. He has drawn attention to the seven conditions mentioned in page 19 of the report circulated to some Members and placed in the Library. I can only say that these are not any statutory things. This is only a matter of practice and convention. When the entire working of these corporations will be reviewed by the Reserve Bank in consultation with these corporations, these conditions may also be changed. I am sure the Reserve Bank and these corporations will see whether there is anything unnecessarily rigorous or overlapping in these conditions.

Shri M. S. Gurupadaswamy also said that there has been no definition of small-scale and cottage industries and asked how these corporations would be able to help them. In the Bill or in the original Act there is no mention of small-scale or cottage industries. There is no statutory obligation on these corporations to be very definite what a small-scale, or medium-scale or cottage industry is. It is only for the guidance of these corporations, it is said that they will cater to small-scale concerns and would not give any loan of more than Rs. 10 lakhs. They could go down even to Rs. 10,000 as loan to an industrial concern.

Shri K. K. Basu: That has been raised in many places.

Shri A. C. Guha: I would invite the attention of Shri M. S. Gurupadaswamy, though he is not present here, to page 450 of the Planning Commission's report. There he will find some idea about small-scale industries and medium-scale industries. I need not read out these lines. I think he can easily refer to that page and get an idea. I think the State Financial Corporations would work according to that definition. Though I can't say that it is a strict definition, there is a category of industries which may be called medium-scale or small-scale or cottage industries.

I think Shri M. K. Moitra said something about investment in Bengal, about textiles, potteries, etc. His charge is that—"by no stretch of imagination" could these be called medium-scale industries. I think, if he had seen some of these potteries in Bengal, he would be convinced that some of them belonged not even to medium-scale or small-scale industries, but to cottage industries. I know some of these potteries which are surely small-scale industries. The loans given to them may be a few thousand rupees. Regarding textile mills also, I think he would know that these textile mills are mostly for spinning and the total capital invested in these textile mills would be about a few lakhs of rupees.

Shri M. K. Moitra: I rise to give this information to the hon. Minister that when I referred to potteries, textile mills and glass works getting loans from these financial corporations, I referred only to those companies whose authorised share capital is over Rs. 20 lakhs.

Shri A. C. Guha: I think some of the textile mills are going to be set up in rehabilitation areas for providing employment to refugees. Some may be in other areas also, but they are almost all, as far as my knowledge goes, not weaving sections, only spinning sections.

Shri K. K. Basu: Only those mills are brought under this?

Shri A. C. Guha: The new textile mills that are being set up in Bengal are mostly if not all for spinning. Some expansion has been made in some of the old textile mills. They are also, as far as I know, for spinning sections.

Shri K. K. Basu: What about these loans?

Shri A. C. Guha: But they have taken only a few lakhs of rupees, two or three lakhs at the most. They must be all medium-scale industries.

Shri K. K. Basu: Not always.

Shri A. C. Guha: I think I have more or less covered all the points.

Shri M. K. Moitra: What about inspection?

Shri A. C. Guha: There is another point about uniformity in the rate of interest. Shri Bansal is not here.

Shri Bansal: I am here.

Shri A. C. Guha: At least Shri Bansal would surely not say that uniformity in the rate of interest is possible. Interest rate would surely vary from area to area and according to the conditions prevailing in

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each area and may also vary from industry to industry. But we are anxious that some sort of uniformity in the working of these corporations should be effected and that is why the Reserve Bank is brought into the picture to inspect the working of these corporations. I can assure Shri Moitra that the inspection of these corporations will not be left to be done in a casual manner by the Reserve Bank but will be an annual feature. Even now these corporations have agreed, though there is no provision in the Act, to have the inspection by the Reserve Bank annually and the Reserve Bank is doing that. But we thought it proper to put it in the statute. So, we have put it here and this will be done regularly by the Reserve Bank.

Mr. Deputy-Speaker: The question is:

> "That the Bill further to amend the State Financial Corporations Act, 1951, be taken into consideration."

The motion was adopted.

Clauses 2 to 16

Mr. Deputy-Speaker: So far as clauses 2 to 16 are concerned, there are no amendments I suppose. One amendment has been passed on just now this morning to clause 7 by Shri Barman. He is not here.

Shri K. K. Basu: Notice has been given?

Mr. Deputy-Speaker: Notice has been given, but I am not waiving notice because it has been received just now, unless the Government are prepared to accept it, but he is not present himself. Therefore the question does not arise.

After clauses 2 to 16 we can take up those clauses to which amendments have been tabled. The question is...

Shri K. K. Basu: Can I speak?

Mr. Deputy-Speaker: I thought the hon. Member had amendments to clauses 17 and 20.

Shri K. K. Basu: That is true, but as I had no opportunity to speak in the general discussion, I may cover some ground on these clauses. Much has already been said in reply to the general discussion by the hon. Minister just now. Though this is a piece of legislation which seeks to improve matters by extending the scope of the definition, we have not been told either in the hundred-page document that has been circulated to us or in the Minister's introductory speech or reply the extent to which the organisational set up of these corporations or the rigidity of their rules has come in the way of further development of these corporations. If you read the report you will see that even out of the meagre sum of Rs. 5 crores, if I may say so, granted from the resources of these financial corporations, only about 50 per cent. has been utilised by the persons who have taken loans which have been granted after going through much formality and screening as the Minister himself has said. We would like to know why the other 50 per cent. could not be utilised, because according to the Planning Commission's Report it was expected that during the first Five Year Plan Rs. 16 to Rs. 18 crores would be given as loan to private industry. If you scan the figures you will find that the national financial corporation, meaning the bigger one, has given about Rs. 12 crores and out of the rest which was to be supplied by the State financial corporations, hardly Rs. 5 crores have been issued, and of that only 50 per cent. has been utilised.

Even in a State like Bihar, 90 per cent. of the resources of the State Financial Corporation has been invested in Government securities. In Bengal they have invested 53 per cent. of the money in them. Even in a State like Saurashtra, in which State there are a number of enterprising gentlemen of whom we hear so much, 67 per cent. has been invested in Government securities. Worst of all, I take my own State of

West Bengal which has a large concentration of not only big industries but also small and medium-size enterprises. There only 22 per cent. had been advanced of the total resources available for the issuing of loans or debentures of industries which were left unsubscribed. At the same time, 37.2 per cent. has been invested in Government securities and 40 per cent. has been invested with banks. Unless it is a fixed deposit or a time liability, you hardly get interest on such deposits and even if you get, it does not exceed one per cent. Recently in West Bengal, especially round about Calcutta, a large number of small engineering industries has been started as you might yourself be knowing particularly because you are interested in these things. There it has been proved that 88 per cent. of the assets belongs to equity capital, in some cases even 93 per cent. and only 7 to 8 per cent. is loan capital. In most of these small-scale industries nearly 87 per cent. of the loans is supplied by the private money-lenders and today we know fully well in what way the private money-lenders charge interest. In medium-size industries also, nearly 72 per cent. is supplied by the private money-lenders and only seven to eight per cent. by the banks or institutional financiers. I am worried because though these State financial corporations have been established, in most of the States, and even in the case of States like Bombay, Saurashtra and West Bengal, the major portion of the money is deposited with the bank and is not utilised for the purposes of the industries. If there is any rigidity in the rules, when you have come forward with an amending Bill, why not come forward with an amendment to alter the rules in such a way that the industries are served, because if you stick on to the theory that they must have tangible or real assets, many of the smaller concerns will not be able to get any benefit. As you may know, Sir, in the Punjab in places like Jullunder and Ambala a large number of cycle and sewing factories has grown up which need capital. If you ask them that they must own a building or any such thing, they will hardly be able to provide that kind of security, though, otherwise, they may essentially be very sound financial enterprises. Therefore, I am rather worried about this particular matter.

Though I welcome the amendment which seeks to extend the scope of the definition of 'processing of goods', yet I am sorry to find that the Minister of Revenue and Defence Expenditure, either in his introductory speech or even in his reply, has not supplied us the facts as to the obstacles that stood in the way of further expanding the scope of these financial institutions. In my opinion, these finance corporations are very important institutions, because we are going to have a decentralised economy, and the small-scale and medium-scale industries are bound to play a very important role in the same. But we find that a major portion of the State's money is invested in the banks or in government securities. If Government wanted to invest these sums in government securities, then there was no point in having special institutions of this nature. I would urge the Minister to take these things into consideration and have a thorough enquiry into the matter and see whether we can improve the working of these financial institutions so as to give greater help for the development of small-scale and medium-sized industries. This is very necessary, because, in the Second Five Year Plan, we have allotted nearly Rs. 40 crores to be provided by these organisations for the development of the private sector.

I welcome the provision relating to the formation of joint finance corporations, because we find that there have been some difficulties felt in this regard by the smaller States and the Part C States. Owing to paucity of resources and so on, they were not strong enough financially to have corporations of their own. The amendment now proposed will enable them to overcome this difficulty by having

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joint finance corporations along with other States.

Then, I come to the provision which seeks to extend the scope of grant of loans even to cases where there is no real asset, on the condition that a guarantee is given by the State Government, a scheduled bank or a State co-operative bank. I do not know about the facts given by Shri M. K. Moitra and Shri M. S. Gurupadaswamy, that the State Government's guarantee may involve some sort of political pressure.

But that apart, what I am worried about is the rate of interest. The Minister has stated that it is not possible to have uniform rates throughout the country. When bank rates are uniform throughout India, why should we not insist on the interest rate being placed at a certain percentage above the bank rate?

Shri A. C. Guha: I do not think even the commercial banks charge the same rate throughout India. Nor do I think that even in the same State, uniform rates are charged for all parties.

Shri K. K. Basu: My whole point is this. They charge a different rate, depending on the credit-worthiness of the person concerned. The Minister is trying to justify different rates in the case of different State financial corporations on the same ground. But my point is that these concerns being State institutions, we can say that the rate of interest will be two or three per cent. above the bank rate. In regard to the steel plant which we are setting up with the collaboration of Great Britain, the interest charged is a certain percentage over the bank rate. I would urge that a similar thing could be provided for in this case also.

If we really mean to help the small-scale and medium-scale industries, then, obviously, we cannot have these high rates of interest. I concede that in the amendment which my hon. friend has brought forward, he has tried to improve the position so that even if there are no tangible assets, if the State Government or a State co-operative bank or a scheduled bank can give a guarantee, accommodation could be given. But you know very well that even a scheduled bank or a co-operative bank is bound to charge some extra interest; I do not know what the position will be in the case of the State Government. Therefore, the interest rate which itself may work out to something very high; say, six per cent. or so, is bound to go further up; if the guarantor also is going to charge some interest, say, one per cent. or so, then the interest rate will be well over seven or eight per cent., which means that the small-scale industries will not be able to avail themselves of this benefit at all, while only some of the medium-sized industries may be able to get the benefit.

I would, therefore, urge that the rate of interest should be so reduced that these small concerns may not have to pay interest at more than five per cent., including the interest they may have to pay to the guarantor. I hope the Minister will try to bring about a sort of uniformity in the rate of interest, by having a common discussion with all these institutions.

With these words, I generally welcome the provisions of these clauses. But I hope the Minister will soon come forward with further amending provisions to ensure that the real purpose for which Parliament passed the Act in 1951 will be served, that the small-scale and medium-scale industries which are bound to play a very important role in our national economy are really benefited by the provisions of this Act, and that a large percentage of the assets of the State Financial Corporations do not lie bogged up in government securities or invested in the banks.

Shri Tek Chand (Ambala-Simla): While offering my support to the main principles underlying the Bill, I wish to utilise this opportunity to give my own reactions. A perusal of the review of the working of the State Financial Corporations, since their inception, leads to certain misgivings. I wish the report, which is fairly voluminous, had given us some more details, in particular, details which had a bearing on the ratio of the debts, which have turned out doubtful or bad.

Certain comments were offered by Shri M. K. Moitra and also by Shri M. S. Gurupadaswamy, and I do not see eye to eye with the two speakers. Referring to page 19 of this review, Shri M. S. Gurupadaswamy subjected to adverse comment the general criteria adopted for sanction of financial accommodation by the corporations. He said that the safeguards had the effect of constricting rather than encouraging safe investment. It is a little difficult for one to appreciate how it is improper on the part of a financial corporation to take into consideration the financial soundness of the concern or its technical soundness or its capacity to offer adequate security or satisfactory title, or in general, to have regard to its creditworthiness before advancing aid with a view to establishing the small-scale or medium-sized industries.

The other hon. Member took umbrage at the fact that a very large number of the applications which had been made could not be granted financial aid. I contend that no doubt, the object of the financial corporation is to give financial aid, but this financial aid ought to be given to the worthy. If this factor is not taken into account, the result will be that unworthy applicants for financial aid will be taking the funds and frittering them away, without benefiting either themselves or the country. Therefore, a closer vigilance or a greater watchfulness is absolutely necessary, in order to see that the funds that are being made available for the development and growth of small-scale industries are worthily and usefully utilised.

I wish there were material before us today which would have enabled us to find out the extent of the bad debts. Regarding subvention, I have one serious objection. If the object is to give three per cent. dividend, then obviously, logically it follows that that is the amount of dividend which is expected to flow from the profitable working of these concerns. With crores of rupees to lend, it is really regrettable that the amount of net profit really came to no more than Rs. 15,000.

Then another criticism that one can justly offer is by adopting the comments at page 15. There the reviewers themselves discovered that so far as the utilisation of funds was concerned, it was not with a view to subserve the real object of the Corporations but by way of advances and deposits in the banks. That obviously means failure to carry out the intention of the Bill.

Then certain comments have been made, and very aptly, regarding the very high expense ratio. I do feel that the expense ratio should be watched with extreme care. No doubt, we have a clause in the Bill regarding inspections. To my mind, clause 21 hardly covers the requirements of vigilance and watchfulness that is really needed. It is not so much the scrutiny which is required regarding the working of the Financial Corporations as regarding the working of the concerns to which loans are being advanced. I would much rather that this *post mortem* examination that is contemplated by this Bill, that after the money has been spent—it may be well spent or ill spent—if it is ill-spent or wasted, there should be a scrutiny, while being remotely useful, is not useful, with a view to prevent waste. It is just like closing the stable after the horse runs away. It would be much better if at the time when there is an application for loan, a proper, careful screening is done as to the credit-worthiness of the applicant, and then periodically his affairs are checked and revised and supervised with a view to see that the money is not being wasted. If there is any tendency towards extravagance or waste, then of course it should be checked or prevented then and there. This type of inspection may be all very well to review matters but then this starts after it is too late. Therefore, it would perhaps be

[Shri Tek Chand]

advisable to draw up a plan and set up a machinery whereby the working of the loans or the application of the moneys advanced to the applicant may be periodically examined and scrutinised.

I wish we had some report or some knowledge, either from the speech of hon. Minister or from this review, as to the quantity or amount of bad debts. Then we would be in a better position to offer comments. It will be an alarming state of affairs if the statement made by Dr. Lanka Sundaram were really correct, namely, 50 to 60 per cent. of the sums advanced are in the nature of bad debts.

Then there was one comment made that was hardly responsible, when it was said that sums were being advanced as a result of political favouritism. Making a statement like that is unfortunate, especially when no attempt is being made to fortify it by any facts. It is all very well to allege that it is as a result of political exploitation or political pressure that sums were being advanced. But there is nothing to substantiate an allegation of this nature.

Shri A. C. Guha: I have to make only two or three observations. All these things have been mentioned previously also.

I am really grateful to Shri Tek Chand for drawing pointed attention to the charge of political favouritism. On the one hand, it has been mentioned that these Financial Corporations have not distributed any loan at all; on the other hand, the charge of political favouritism is levelled even before anything has been done. I do not think this is in any way established. It is not fair to make a charge of this nature on financial institutions.

I would like to say one thing. Members may get an idea of the nature of the loans sanctioned by these Corporations if I mention that the total loans sanctioned—not distributed—are to the extent of Rs. 5·48 crores and the number of applications 335. So it works not to a little over Rs. 1½ lakhs per application on an average. It would be apparent from this that these Corporations have been catering, more or less, for medium and small scale industries.

As regards the amount of bad debts, I think Shri Tek Chand agreed that it is as yet premature—after one or two years—to say that certain debts have gone bad. But surely I can say that the allegation made by Dr. Lanka Sundaram is absolutely unfounded. I have said previously also that as yet, we have not had any alarming picture of defaulting. I think, more or less, the parties have been paying their instalments, of principal as also of interest. There has hardly been any case of defaulters not much at least.

Shri K. K. Basu: What is the reason for 50 per cent. of the sanctioned amounts not being drawn?

Shri A. C. Guha: I think Shri M. S. Gurupadaswamy mentioned the rigorous conditions on page 19. There may have been something in that, though I do not agree that creditworthiness should not be looked into. But anyhow, these Corporations have not been able to give much loan. That explains the reason why the parties have not been able to draw the sanctioned loans.

Shri K. K. Basu: My question was different. Even in the case of sanctioned loans, 50 per cent. has not been drawn.

Shri A. C. Guha: I think Shri K. K. Basu will recollect that similar cases also occurred in the case of the Industrial Finance Corporation.

Shri K. K. Basu: You should improve now.

Mr. Deputy-Speaker: The question is:

> "That clauses 2 to 16 stand part of the Bill."

The motion was adopted.

Clauses 2 to 16 were added to the Bill.

Clause 17.— (*Insertion of new section 32A etc.*)

Shri K. K. Basu: I beg to move:

(i) Page 6, line 23—

omit "managing agent or"

(ii) Page 6, line 36—

omit "any managing agent or"

(iii) Pages 6 and 7—

omit lines 40 and 41 and lines 1 to 8, respectively.

(iv) Page 8—

after line 17, *add*:

> "Provided however, that all moneys payable to such persons as aforesaid shall not be paid to them or become payable to them till the end of any enquiry if any such enquiry is pending or is decided to be held for the misdeeds or mismanagement of such persons"

My amendments are very simple. In clause 17, it is mentioned that when the management of a concern is taken over by the State Financial Corporation, it can appoint managing agents to run it. I want to do away with this provision. I say this because when a particular industrial enterprise has been taken over by the State Financial Corporation, it means that the management of the particular institution has not been properly run. This is the most important factor because when a loan was granted to a concern, the Corporation must have considered its credit-worthiness or its ability to pay back the loan and also its ability to utilise the loan properly. Subsequently, if the concern has not been properly utilising the money or has been frittering its assets away, Government would take it over.

I want to impose a condition that managing agents shall not be appointed to run concerns taken over by Government in these circumstances. Apart from the question as to whether the managing agents have behaved well or not, we know from experience, from the valued report of the Enquiry Committee appointed to investigate the affairs of the Industrial Finance Corporation after a great deal of discussion in this House, how managing agents in some of these undertakings, the Sodepore Glass Works and others, have behaved.

Therefore, I assert that managing agents should not be appointed in such cases. Moreover, the entire purpose of the Companies Act that we have enacted is that in course of time, industrial management in the shape of managing agents, should be done away with. We have said that in course of time Parliament may decide and declare that certain industries shall not be managed by managing agents.

Therefore, I would like to urge upon Government that in this case when Government are taking over managements of certain concerns, they should not hand over the management back to managing agents, whoever they may be, because of the record of misbehaviour of the managing agents in the past. Therefore, I think Government will accept my amendment for restricting the power of the Government to appoint another managing agent in case a particular company or firm taken over by Government had been previously managed by the managing agent.

Then, I have another amendment No. 4. It is to sub-clause (2) of section 32D which is sought to be added. The first part says that there shall be no right to compensation on the termination of a contract. There is no objection even though my hon. friend Shri V. B. Gandhi had some. We welcome it. Because of their past misbehaviour the company's management is being taken over and so they

[Shri K. K. Basu]

have no right for compensation on the termination of the contract.

But further on, clause (2) says:

> "Nothing contained in sub-section (1) shall affect the right of any such managing agent or managing director, or any other director or manager or any such person incharge of management to recover from the industrial concern, moneys recoverable otherwise than by way of such compensation."

Here, I want to put in a proviso:

> "Provided however, that all moneys payable to such persons as aforesaid shall not be paid to them or become payable to them till the end of any enquiry if any such enquiry is pending or is decided to be held for the misdeeds or mismanagement of such persons."

I do not dispute their legal right or even moral right to get back anything if they have invested or given as loan. But I want to restrict it. If an enquiry has been ordered to go into the conduct of the particular person or persons who worked as managing agents or managing directors, whether they have misbehaved or not, then no such money shall be given till the enquiry is completed. We know that an enquiry may take two years and these gentlemen, according to the Income-tax Investigation Commission, might have frittered away these amounts and they might be beyond the clutches of the law. My amendment is very restrictive. I do not dispute the moral or the legal right of these persons to get back the money. But they should not get it back till the enquiry is completed; otherwise it is not possible to recover from them, if necessary.

Shri A. C. Guha: I think the hon. Member has become allergic to the term 'managing agent'. I would wish him to look to the real implications of his amendment No. 2. In his crusading zeal against the managing agents, he has put in this amendment, without realising the implications thereof. If accepted, it would mean that the contract the managing agent might have with the industrial concern would continue even if the State Corporations would have taken over the concern. Surely, I hope his intention is not like that.

Shri K. K. Basu: What about the first one?

Shri A. C. Guha: Now, I think, he has realised the absurdity of the amendment he has moved.

As for the first one, I am sorry that it is not possible for us to accept it because, even under the Indian Companies Act which we have recently passed, the managing agency system has not yet been completely abolished. It has some place, though restricted and circumscribed with many conditions. In this context also, we do not like to eliminate the possibility or chance of having a managing agent being appointed.

The third amendment is just consequential to the first.

Shri K. K. Basu: What about the fourth one which is important?

Shri A. C. Guha: Regarding the fourth one, in this Act, the State Financial Corporations Act, there is no provision for any enquiry of this nature. If the enquiry is held under the Indian Companies Act or some other Act, that Act will take care of such a contingency. So, I do not think it would be proper to provide in this Act for some contingency which might be arising out of some other Act. I am sorry I cannot accept the amendment.

Mr. Deputy-Speaker: The question is:

Page 6, line 23—

omit **"managing agent or"**

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 6, line 36—

omit "any managing agent or"

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Pages 6 and 7—

omit lines 40 and 41 and lines 1 to 8 respectively.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 8—

after line 17, *add*:

"Provided, however, that all moneys payable to such persons as aforesaid shall not be paid to them or become payable to them till the end of any enquiry if any such enquiry is pending or is decided to be held for the misdeeds or mismanagement of such persons."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill. .

Clause 20.— (*Amendment of section 37*)

Shri K. K. Basu: Sir, I beg to move:

Page 9—

after line 33, *add*:

'(c) after sub-section (1), the following sub-section shall be inserted, namely:

"(1A) The Comptroller and Auditor General of India shall be entitled to give such directives to such auditors or to lay down such rules and forms for conducting such audit and the audit shall be conducted according to such directives, rules and forms".'

My amendment is very simple. Sub-section (1) of section 37 of the main Act contains a provision for the Comptroller and Auditor-General doing audit work. What I want is that the Auditor-General shall also be entitled to give such directives to the auditors because we have a provision that it should be audited by an auditor appointed by Government. I only want that the Auditor-General shall be entitled to give such directives to such auditors or to lay down such rules and forms for conducting such audit etc.

The hon. Minister said earlier that our managerial expenses are going down. I am really worried because I have studied in some detail some State Financial Corporations and their working. We do not seem to have gained much experience. If the earliest was established in Bombay and they have done some pioneering work, they must have incurred some administrative expenses. We have to take that experience into account to see whether such expenses are necessary in establishing other Corporations. I feel that many of the things can be improved upon and prevented, if the Auditor-General were to lay down certain forms etc.; we can help the State Financial Corporations to some extent. The hon. Minister may say that under the Act there is a provision for the report to be submitted to the Reserve Bank of India. Unless Government use some other pressure, the Reserve Bank is not going to look into the real working of the States Financial Corporations. They are entitled to get reports but unless the Government so authorise them, the Reserve Bank may not make any enquiry into the working.

I find in West Bengal only 16.4 per cent of the loans have been granted to the applicants. The Minister says there are difficulties about creditworthiness etc., and the manner in which particular persons apply for loans.

In the report itself I find another factor. As in the case of the bigger I.F.C. there is provision to examine

[Shri K. K. Basu]

the titles and other things. One report says that though loans were granted no building was purchased, no licences were given under the Industries Development Act and it will take one or two years to utilise the loans advanced.

4 P.M.

That we want to put a stop to. It may be that Government can improve upon their methods. There will be several individual auditors who will audit the working of the different State Financial Corporations. I want only a standardised form to be introduced as in the matter of National Industrial Financial Corporations, if I may be permitted to use that expression, because in the case of the State Financial Corporations, they are in the same position as the Industrial Finance Corporation was before 1953 which was mismanaged. I have heard complaints from small people that though they are otherwise creditworthy etc., the loans are not being sanctioned by a peculiar group of persons who control these Corporations. We find that textiles and ceramics and similar types of industries have also got loans from the State Financial Corporations. In the West Bengal there is so much demand for this. Small lead manufacturers have been clamouring for the money; even from the private usurer, they are not getting money or getting money at higher cost for their concerns. Only 16 per cent of the assets are being utilised for loan; 40 per cent of the assets are being utilised as deposit in banks and nearly 50 per cent of such assets are being utilised for government securities. Therefore, what I insist is that if a standardised form is made and the Auditor-General is entitled to give such directives, that they can probe into the affairs within the competence of law and not as an enquiry that is to be made, that would meet the situation.

I would also urge upon the Minister of Finance why we should not have the same kind of reporting in the sense that in the case of the Industrial Finance Corporations, we get the entire names of persons who have taken loans. In the case of the State Financial Corporations, I am told that no report is given about some of these smaller things and details. For instance, the textile industry is lumped together and an arithmetical average is given for it as Rs. 1,00,000. It may be that Rs. 10 lakhs may have been taken, out of which Rs. 7 or 8 lakhs may have been taken by influential persons and only a few people might have got a lower limit. You cannot say that the average is Rs. 1,25,0000 per individual loan, because from such a statement one may deduce that the individual small industrialist has got that amount of money as loan.

I hope that there should be a uniform form in which the reporting has to be made. So far as the annual report is concerned, it should be in the same form as in the case of the National Industrial Financial Corporation. The details of the names of the persons who have taken loans should be there. Therefore, the Auditor-General should be authorised to give such directives and lay down a certain form in which audit is to be conducted, so that we may have uniformity throughout the country. That is my object in moving this amendment.

Shri A. C. Guha: This amending clause refers only to the appointment of auditors just after the establishment of the State Financial Corporations. In the beginning it may not be possible to have the meeting of the Board to appoint the auditors as provided in section 37 of the Act. If this amendment is accepted, the new auditors, that is, the auditors that will be appointed at first will be put in a discriminatory position from the auditors who may be appointed later.

Shri K. K. Basu: Why?

Shri A. C. Guha: Because this clause will be read only with this amendment.

Shri K. K. Basu: I have put in a separate sub-clause (c).

Shri A. C. Guha: Anyhow, the functions or the obligations of the auditors are put in section 37 of the Act, and I do not think it is necessary for us to accept an amendment of this nature, as I am afraid it will create difficulties for the new auditors and it will introduce discrimination between the new auditors and those that would come later.

Mr. Deputy-Speaker: The question is:

Page 9—

after line 33, *add*:

'(c) after sub-section (1), the following sub-section shall be inserted, namely:

"(1A) The Comptroller and Auditor-General of India shall be entitled to give such directives to such auditors or to lay down such rules and forms for conducting such audit and the audit shall be conducted according to such directives, rules and forms".'

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 20 stand part of the Bill".

The motion was adopted.

Clause 20 was added to the Bill.

Clause 21.—(*Insertion of new section 37A*)

Shri A. C. Guha: I beg to move:

Page 10, lines 3 to 7—

for "The Central Government may direct the Reserve Bank to inspect the working of any Financial Corporation, and if so directed, the Reserve Bank shall cause an inspection to be made by one or more of its officers, of the Financial Corporation and its books and accounts"

substitute: "The Reserve Bank at any time may, with the approval of the Central Government, and on being directed so to do by that Government, shall, cause an inspection to be made by one or more of its officers of the working of any Financial Corporation and its books and accounts".

This is just a drafting amendment. Previously it has been put that the Reserve Bank is to have this inspection after the Central Government directs it to do so, but now the Reserve Bank is to have this inspection with the approval of the Central Government, and also in special cases the Central Government may ask the Reserve Bank to do it, and in such cases the Reserve Bank shall conduct the inspection. The inspection report will be submitted to the Central Government as also to the State Government. The whole thing remains more or less the same and only the first two lines have been changed, which is just a drafting change.

Shri K. K. Basu: Will this report be a confidential report or form part of the annual report?

Shri A. C. Guha: It is not part of the annual report. The annual report will be submitted by the Board of the Corporation. But this will be a report of the Reserve Bank; it will be an inspection report and will be submitted to the Central Government as also to the State Government concerned.

Mr. Deputy-Speaker: The question is:

Page 10, lines 3 to 7—

for "The Central Government may direct the Reserve Bank to inspect the working of any Financial Corporation, and if so directed, the Reserve Bank shall cause an inspection to be made by one or more of its officers, of

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the Financial Corporation and its books and accounts"

substitute: "The Reserve Bank at any time may, with the approval of the Central Government, and on being directed so do by that Government, shall, cause an inspection to be made by one or more of its officers of the working of any Financial Corporation and its books and accounts".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 21, as amended, stand part of the Bill".

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Clauses 22 to 25 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Shri A. C. Guha: I beg to move:

"That the Bill, as amended, be passed".

Mr. Deputy-Speaker: Motion moved:

"That the Bill, as amended, be passed".

Shri L. Jogeswar Singh (Inner Manipur): I am going to refer to certain points about which nothing has been mentioned in the course of the discussion that we were having. Not a single speaker has mentioned about them.......

Mr. Deputy-Speaker: Those deficiencies are not to be made up in the Third Reading stage—what has been done during the Second Reading and what ought to be done. This is the Third reading stage.

Shri L. Jogeswar Singh: This is in connection with the provision relating to Part C States. Here provision has been made to form Joint Financial Corporation for Part C States

We have seen in the list that Financial Corporations had already been established in Punjab, Saurashtra, Bombay, Travancore-Cochin, Hyderabad, West Bengal, Assam, Bihar, U.P. Rajasthan, etc., but not in any Part C State such as Delhi, Himachal Pradesh, Manipur and Tripura. By the passing of this Bill, these Part C States will be enjoying the benefits of these Corporations. For a long time all these Part C States have not been enjoying or rather they have been deprived of the advantage of enjoying the benefits of loans already extended to medium and small-scale industries. If this Bill had been passed long ago, these Part C States would have been given the advantages and facilities that had been extended to the other States.

Provision has again been made regarding the jurisdiction of the Financial Corporations which have been in existence in the other States—it may be extended to the neighbouring States. In the case of Tripura and Manipur, the situation is such if they form a Joint Financial Corporation for Assam, Manipur and Tripura together, the jurisdiction of the Assam Financial Corporation may have to be extended to Tripura and Manipur. But here is a difficulty. Whenever the jurisdiction is extended from Assam to Tripura and Manipur, the headquarters is situated in Shillong, and so the financial activities of all these loans available will be concentrated in Shillong.

My suggestion is this. Whenever there are such joint corporations, there should be more than one headquarters. For instance, the jurisdiction of the Assam Corporation extends to Tripura and Manipur and so there should be a branch of this Corporation in Manipur and Tripura. For Delhi and Himachal Pradesh there may be an amalgamated corporation with that of the Punjab or these States may themselves form into a corporation.

There is another important point. People are now disgusted with these monetary organisations. In Manipur State, many banks were liquidated.

The Tripura Modern Bank, the Assam Bank, the Calcutta Commercial Bank all have been liquidated and public money has been misused. There have been embezzlements and frauds to the tune of forty lakhs of Rs. and the people had deposited money in these banks. They view these things very seriously. So, the provision regarding the inspection of the working of these corporations should be effectively implemented. The working of the banks or corporations should now and then be inspected by the auditors so that the public money may not be squandered. Only then, the public will have faith and confidence in the banks and corporations.

We have many small-scale and cottage industries in our part of the country. Manipur and Tripura are economically backward areas. The most backward areas are the Centrally-administered areas. So, this facility has to be extended to those areas, so that their economic condition can be improved. I welcome this Bill so far as it realates to the Part C States.

Shri N. R. Muniswamy (Wandiwawash): I welcome this Bill as the difficulties which have been experienced are now sought to be removed by this Bill. In the context of the planned industrial development and the Second Plan and the other Plans that are to come, I have to make one suggestion. The previous speakers brought to limelight some of the difficulties and also how the corporations were working in an unsatisfactory way. Several suggestions have been made and I do not want to take much of the time of the House.

I shall deal with only one aspect of the problem and be done with it. My friend here, on this side, suggested something about the audit of the affairs of the financial corporations and suggested several methods. I have gone through this document very carefully; it has been placed in the library for the benefit of the Members. I find one small lacuna. The affairs of the financial corporations are being audited by two auditors, one appointed by the State Government in consultation with the Auditor-General and the other by election in a certain manner. It has been apprehended that large amounts of money are likely to be spent or wasted and that ultimately they may ask for waiving or writing off that amount. With a view to avoid such a contingency, I suggest that we should have an accountant. Though there is no legal basis for the appointment of an accountant from the side of the corporation, there is nothing wrong on its part to send an accountant the moment the loan is granted and money is advanced. Loans run into lakhs according to the assets, the nautre of the work and the position and importance of the industry. He will sit tight on the money deposited in the scheduled bank and as and when money is drawn and spent from the loan he has to account for it. Auditing is one thing and accounting is another thing. Audit comes in after the money is spent and then the remarks are made by the auditors. The work of the accountant is not of that type. He has to see the relevancy or the utility of the money. So, he will be in a position to see that the money is not unnecessarily spent. In order to avoid the loss of such fabulous amounts, it is better that an accountant is also appointed by the corporation, though that accountant cannot be said to have any legal responsibility as per this Bill. There is nothing wrong and a man can be deputed at the cost of the State Government or the corporation. He will go and sit there and check the amount and also the accounts as and when the money is drawn and spent. He should, first of all, be satisfied that the money is needed for a genuine expenditure and then only it could be spent. With these remarks, I commend this Bill.

Shri Achuthan (Crangannur): Sir, I will be very brief. The House has welcomed the Bill. During the last three years, from 1953 onwards, we have set up thirteen corporations. We have issued about fifty per cent. of the money sanctioned *i.e.*, Rs. 5·5 crores were sanctioned and half of that has

[Shri Achuthan]

been distributed. That depicts not a very encouraging picture of the work done by the State corporations. We expected that there will be a rush to these corporations, when these were set up; and also that the industrialists and others would take advantage of these to improve the existing concerns and also to start new ones.

From the report, we are not able to see what they have done in carrying out the provisions contained in section 25 (a), (b) and (c). Are they there to give loans alone? Did they undertake to guarantee debentures, etc.? My State stands first in the percentage of disbursement of loans; it has also the lowest percentage of administrative expenses. I am proud of it. But, when I enquired about it there, there was a complaint. They say that it is a cumbersome procedure and people feel it better to approach big persons and have Rs. 25,000 or Rs. 50,000 as loan than approaching these corporations. They were saying like that. That apprehension must be removed. It must be made possible for industrialists, if they are creditworthy, to apply and get loans without much difficulty. Favourable conditions must be created by the Government with regard to the required certificates, registration and all that, so that it may serve as an incentive to industrialists and business people to approach these corporations without going to other people for help. As far as I know this is the only institution which will advance money to small industrialists. With regard to agriculturists we are going to have co-operative societies and land mortgage banks. With regard to big industrial people we have the Industrial Finance Corporation, Development and Credit Corporation and many other institutions. As far as I know, this is the only institution which gives money to the small-scale, medium-sized and cottage industries. And that is the one thing which we want in the next Five Year Plan to be decentralised and expanded. In my State that is the only solution. Shri C. D. Deshmukh, our ex-Finance Minister, when he was touring in my State told me that with regard to Travancore-Cochin the only solution was to see that small-scale industry was spread out, and by that only we could solve the problem of unemployment and economic development of the State. Therefore, the Government must see that the State Financial Corporations work properly and people must be attracted for borrowing money from these corporations.

Shri K. K. Basu: Mr. Deputy-Speaker, Sir, I have already said a good deal of what I have got to say on this particular Bill. I welcome certain provisions of this amending Bill. It is definitely an improvement on what it was before. As my friend, who spoke just before me, has said, not only in Travancore-Cochin but in many other States small-scale and cottage industries have got to play a very important role. I referred to the small-scale engineering firms round about the Calcutta industrial area which are badly in need of finance and which do not get any loans inspite of their making many applications.

Sir, I would only emphasise on one point. As the power is being taken by the new amended provision for the Reserve Bank of India to enter into the affairs *suo moto* of these corporations—I think that is the implication of the new amendment—and as the Finance Minister, however much I wished, did not accept my amendment authorising the Auditor-General to give such directives to the auditor who may be appointed by the Government on his advice, the Reserve Bank of India must probe into the affairs of all the State Financial Corporations and give a comprehensive report, as in the annual reports on banking and currency or the co-operative banks and in much more details than what is published in the annual reports of the State Financial Corporations. All of us want to see that these State Financial Corporations work in the proper spirit in which this Act was enacted, so that our small and medium sized industries get the benefit of these corporations.

Therefore, I would only request the hon. Minister to direct the Reserve Bank immediately to give a comprehensive report, to see that the defects are removed and to improve upon the working of the State Financial Corporations. A comprehensive report should be given to the public and the nation, because it is the nation that has invested money in this particular concern. We should see to what extent these State Financial Corporations can work to the benefit of the country, to help the economic development of the country and the entire nation. That is the only request that I have to make to the Minister.

Shri A. C. Guha: Mr. Deputy-Speaker, Sir, I am thankful to the Members for the general support they have extended to this amending Bill. I think I should first reply to Shri L. Jogeswar Singh. I can appreciate his anxieties about his own region, Manipur and Tripura. If the jurisdiction of any corporation is extended beyond the boundaries of one State, I think it may be really necessary for that corporation to have branch offices. There is no bar to that. In fact, if Manipur and Tripura ever combine with the Assam State Financial Corporation, then their Governments may ask the Assam State Financial Corporation or the Assam Government to establish local branches. That may also be in the interests of the corporation itself to expand its business.

Then he said something about bank liquidation. That has nothing to do with this Bill. But yet I hope that the question of bank liquidation has now become a thing of the past. We expect that we shall not any more near of bank liquidation at least on the scale that we have seen in Bengal and other places.

About the Manipur State Bank in his own State, I am not quite sure but I speak subject to correction, that the State Bank of India has recently conducted an inspection of that Manipur State Bank. At least the State Bank and the Reserve Bank are both interested in doing something about the small banks working in Part C States.

Shri N. R. Muniswamy said something about an accountant. I cannot understand what he really means. Surely, all these corporations have their own accountants, and under section 27(1) of the Act......

Shri K. K. Basu: As soon as a loan is granted the loanee company should have an accountant of its choice.

Shri A. C. Guha: That will add to the charge of that company. They want loan to be given at a low rate of interest. If they are given a loan of Rs. 10 lakhs or Rs. 20 lakhs, and an accountant is just imposed on them, I think no company would come for loan to these corporations.

Shri K. K. Basu: Just like a durwan......

Shri A. C. Guha: For the safety of the investment under section 27(1) the State Corporations have got sufficient power to impose necessary conditions.

I quite appreciate that the people should be attracted to apply to these corporations and the sanction of loans should be made easier. There should not be so many formalities and so much delay in the sanction of these loans. I think the Reserve Bank will look into the matter.

As Shri Basu has suggested, the Reserve Bank will surely inspect these corporations in an effective and efficient manner and our amendment, as he has just pointed out, gives the Reserve Bank authorities and power *suo moto* to conduct an inspection. As I said earlier, that would be an annual feature and a regular feature.

Shri K. K. Basu: They must publish the report.

Shri A. C. Guha: I hope the Bill, as amended, would be passed.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

RESOLUTION *RE* DRAFT MINING LEASES (MODIFICATION OF TERMS) RULES

Mr. Deputy-Speaker: We will now take up the resolution regarding Draft Mining Leases (Modification of Terms) Rules. Two hours have been allotted for this.

The Minister of Natural Resources (Shri K. D. Malaviya): Sir, I beg to move:

> "This House approves the draft Mining Leases (Modification of Terms) Rules, 1956, framed under sub-section (1) of section 7 of the Mines and Minerals (Regulation and Development) Act, 1948 and laid on the Table of the House on the 22nd August, 1956".

I have nothing to add to the resolution except that these are very important amendments which have been made in order to bring the terms and conditions of the existing mining leases in conformity with the latest Mineral Concession Rules. There were large areas under these existing old mining leases held by parties who could not manage it. They could neither assess nor utilise the mineral wealth for the nation's benefit. Therefore, it is considered necessary that they should all be brought in conformity with the existing Mineral Concession Rules. So I submit that we should receive the sanction of the House to this.

Mr. Deputy-Speaker: Resolution moved:

> "This House approves the draft Mining Leases (Modification of Terms) Rules, 1956, framed under sub-section (1) of section 7 of the Mines and Minerals (Regulation and Development) Act, 1948 and laid on the Table of the House on the 22nd August, 1956".

Shri N. C. Chatterjee (Hooghly): May I just request the hon. Minister, Sir, to give us a little more explanation of the more important features? He has dealt with it in such a way that he has practically given us no information, nothing to elucidate. He has not said what exactly are the points.

Mr. Deputy-Speaker: The hon. Minister has taken it for granted that all Members are now conversant with the Rules because they were placed on the Table of the House some time ago. Even then, it would be better if the hon. Minister gives some elucidation, of the changes, what the new rules contain, what is the object of the changes, etc.

Shri N. C. Chatterjee: I can also assure the hon. Minister that the mining interests which are affected by these rules, have been deeply perturbed, and they have been complaining that they have got many grievances and that they have tried to contact the hon. Minister many a time as well as the Committee, to make their representation. We want to know what those grievances are and how far they are going to be met.

Shri Feroze Gandhi (Pratapgarh Distt.—West *cum* Rae Bareli Distt.—East): Further, the hon. Members may complain that they have not heard the Minister's speech, because there is no quorum now. The quorum bell may be rung.

Mr. Deputy-Speaker: Shri Feroze Gandhi is more solicitous about the Members who are not here. The quorum bell is being rung—Yes, now there is quorum. The hon. Minister may continue.

Shri K. D. Malaviya: I am surprised that my hon. friend Shri N. C. Chatterjee feels that these rules have sprung a surprise on the House. These rules have been under discussion since the past three years at least. They were first proposed, perhaps a few months before the constitution of the All-India Mineral Advisory Board. Thereafter, a draft was put up before the industrialists and the representatives of the State Governments. Many suggestions were made in respect of the constitution of the Council and they were all considered in great detail. Since then, more than two years have elapsed and we have given all consideration possible to the objections made by the industrialists and important miners in the country.

Recently, at Bangalore also, I referred to these rules and said that the suggestions made by certain sections of the miners were considered fully and that the new rules were to be laid on the Table of the House. It is now too late in the day and we would not wait any longer.

As the House knows, the Mineral Concession Rules under the Act were in force in 1948. Before then, a large number of areas were under operation and they were not operated upon by the Mineral Concession Rules of 1948. Therefore, it was considered necessary that the terms of the leases and the other conditions regarding the mining leases which existed before 1948 should be brought into conformity with the Mineral Concession Rules of 1948. It is with this intention that the present rules are now being put before the House for adoption.

The main features of these rules are that we have made standardised rules and conditions so far as the areas and periods for mining operations are concerned. We have set ten square miles as a fairly adequate area which can be managed by miners and a period of 20 to 30 years is also assigned for the working of these areas. Certain clauses have also been incorporated and they have been brought into force in consideration of the fact that in case there is any undue hardship caused to the private miners, they will have an opportunity to represent their cases to the tribunals proposed under these rules. The Government of India would consider the representations made and would make exceptions in those cases wherever necessary. Besides these, we have laid down rules and regulations which will guide the tribunals and the Controller of Mines, in the assessment of compensation that will be due to such persons as are holding very large areas.

I will only quote a number of leases in order to prove why the adoption of these rules is absolutely necessary. I will not name the parties, but I shall merely mention the areas held by them. One party holds about 48 villages. There are parties holding 39 villages, 27 villages and 20 villages respectively, each for 99 years. One party is holding about eight villages in the Ranchi district for 999 years. The area which has so far been tackled out of these villages is hardly more than 30 or 40 acres. Only so much has been so far handled, considering the technicality and feasibility of the mines. For instance, a party which has been holding an area of 15,219 acres in Ranchi district for 95 years has prospected so far, only 37·8 acres and has put in a number of boreholes—about 38 in all—and it has dug 39 trenches so far. The House can very well imagine, that while a party which holds about 15,000 acres has not been able to tackle more than 50 acres since 1934, what the party can be expected to do further. Therefore, in the best interests of the nation, the best thing to do is to standardise the area with reference to the periods and other conditions and bring the areas under such conditions that the parties can manage the operations, and the rest of the area can go back to the State, so that the Government might hand it over either to some other party —a better party which can work it— or take it over themselves. The interest of the nation demands that the entire mineral wealth of the country should be properly assessed and a plan

[Shri K. D. Malaviya]

should be prepared for utilisation of the mineral wealth. Obviously, it cannot be done if hundreds of villages lie in the hands of parties which are assured, under the pre-1948 agreement, that the areas will always remain with them irrespective of the fact that they like to work them or not, or irrespective of the fact that they plan to work them or not in about 15 to 20 years' time. They have no plan of that kind nor are there any intentions to prove that they are going to prepare a plan for the utilisation and investigation of the minerals. Therefore, it is highly necessary that the rules should be modified and all these leases which are held by such parties for scores and scores of years should be taken over by the State for better utilisation and assessment of the mineral wealth.

This is the intention with which these rules have been framed. Every care has been taken to see that undue hardship is not experienced by the parties which are working it. If there is any party working the mines the extent of which is more than 10 square miles and where there is the technical feasibility of working it, they will be allowed to do so. The whole programme is this: they should hold more than 10 square miles, in which case Government are quite prepared to consider those areas being kept or held by the parties concerned so that proper mining might be assured. Therefore, I do not see any reason why there should be any consternation about the proposals which I have made and I hope the House will adopt these rules, so that all the conditions and terms of the leases may be brought in conformity and may be standardised with a view to tackling more areas.

Shri T. B. Vittal Rao (Khammam): Can the hon. Minister name one party which had the lease for 999 years and also the area?

Shri K. D. Malaviya: There are so many parties; I do not mind naming one party. The National Cement, Mines and Industries Limited, 8, Southern Avenue, Calcutta. Date of grant: 30-9-34; area: 8 villages in Ranchi District.

Shri T. B. Vittal Rao: I want to seek one clarification. Suppose a owner has got a mine; he does not work it but gives it to somebody else to work it. In that case, is the royalty to be paid to the owner by the man who works it or to the State Government?

Shri K. D. Malaviya: Royalty is payable by the party which holds the mine to the Government for the area that is owned by the party. More than that, I could not follow the hon. Member's question.

Mr. Deputy-Speaker: It may happen that the mine is sublet to other persons. In that case, to whom is the royalty paid?

Shri K. D. Malaviya: It has been the practice that miners sublet the mines and the conditions for subletting the mines differ. The intention of these rules is to standardise those different conditions.

Shri N. C. Chatterjee: Ordinarily these royalties are meant......

Mr. Deputy-Speaker: Perhaps the hon. Member might have his chance to make his points and the hon. Minister may reply to them afterwards.

Shri N. C. Chatterjee: I only want to know whether the royalty is paid to the State or to the man who holds the mine.

Shri K. D. Malaviya: Royalty is paid to the State.

Mr. Deputy-Speaker: I have already placed the Resolution before the House. Shri Bansal may move his amendments.

Shri Bansal (Jhajjar-Rewari): I beg to move:

(i) That at the end of the Resolution the following be added, namely:

"subject to the modification that in sub-rule (6) of rule 6,

after "Mineral Concession Rules" the following be *inserted*:

"including the term for which the lease would have been renewed under these rules".

(ii) That at the end of the Resolution the following be added, namely:

"subject to the modification that in sub-rule (1) of rule 10,

in clause (b) *for* "a single member who is, or has been, or is" *substitute*:

"three members who are, or have been, or are".

(iii) That at the end of the Resolution the following be added, namely:

"subject to the modification that,

(1) in sub-rule (2) of rule 10,

(i) *omit* "(i)" occurring for the first time;

(ii) *omit* sub-clause (ii).

(2) in sub-rule (3) of rule 10, *omit* "sub-clause (i) of".

(iv) That at the end of the Resolution the following be added, namely:

"subject to the modification that in rule 10,

after sub-rule (3), *insert*:

'(3A) In addition to the amount of compensation referred to in sub-rules (2) and (3), there shall in every case be paid a sum determined with reference to the reduction in the term of the lease and any modification in the amount of royalty. The amount of compensation payable in these respects shall be determined by the Controller through negotiation with the parties'."

The first point I want to make is this. As far as my information goes, these rules which are now before the House have not been placed before the Minerals Advisory Committee or Council, whatever it may be. The hon. Minister has been pleased to state that these rules were placed in a draft form before the Mineral Advisory Committee. But, some of the Members of the Committee have told me categorically that these draft rules were never brought to their notice and were never discussed in any of the meetings. I am in possession of the agenda of one of those meetings and I find this item was not there. Therefore, I would like to know at what stage these draft rules were discussed with the mining interests.

Shri K. D. Malaviya: May I inform the hon. Member......

Shri Feroze Gandhi: Let him make his points.

Shri Bansal: My second plea would be that these rules, if adopted, should be worked in a flexible manner. The hon. Minister has stated, and I have no difficulty in agreeing with him, that in our country we have mining leases most of which can be called unconscionable. No one in the 20th century will agree that a mining lease should be given for a period of 999 years and also that it should be given for an unlimited area. But the question is whether 10 square miles is a reasonable area. I have no difficulty in conceding that in most cases, 10 square miles will be a reasonable area, but there may be cases where 10 square miles may not do, particularly when we are embarking on very ambitious schemes of exploration of our mineral wealth. Take the case of underground oil. It may be that if a company comes forward to explore oil in the bowels of our mother earth, it may require an area much larger than 10 square miles. It may also be that for works like steel, 10 square miles may not be a reasonable area. Therefore, my suggestion to the hon. Minister would be to increase the area under the rules itself, if possible. If that is not possible, the rules should be worked in such a manner that the interests of all such parties are given due consideration. I find that the rules are flexible enough in this matter. The only point is whether they will be worked in that flexible manner. I would like the hon. Minister to give an assurance on the floor

[Shri Bansal]

of the House that in appropriate cases, this limit of 10 square miles would be relaxed.

Another point is with regard to the Controller. I find that the person who sits in judgment as to whether the area is big or small and who decides the terms of the lease, what compensation should be paid to the person from whom the mining rights are being taken away etc. is the Controller, whose status is not defined. From the way things happen, I understand that the Controller will be more or less of the status of an Under Secretary or may be a Deputy Secretary. It is to be considered whether a person of that status will be a suitable man to sit in judgment over such vital questions as to whether the area is sufficient or not, whether the terms of the lease should be modified or not and so on.

[SHRIMATI SUSHAMA SEN *in the Chair*]

4.49 P.M.

Therefore, I would suggest that the Government should be clear in their mind as to what type of person this Controller should be and whether it is necessary to define the status of the Controller in the rules itself, particularly because, in respect of the old mining leases, he will have to exercise powers of far-reaching importance.

Now I come to my specific amendments. My first amendment is to sub-rule (6) of Rule 6. It reads thus:

> "Where the maximum term prescribed under the Mineral Concession Rules would allow a lessee a period of less than 15 years from the commencement of these rules, the Controller shall so fix the term of the lease that the lease would terminate on the expiry of 15 years from such commencement."

Sub-rule (5) is more or less identical, but there is another small phrase there, the purport of which is that the term prescribed under the Mineral Concession Rules includes the term for which the lease would have been renewed under these Rules. My small amendment is that this phrase "including the term for which the lease would have been renewed under these rules" be added after the words 'Concession Rules' in the last line on page 13. I do not know why this distinction is being made in sub-rule 6, and I think the hon. Minister will accept my small amendment.

My second amendment is to rule 10, which is, in fact, the most important rule in these draft rules. It has been provided here,

> "If there is no such agreement, the amount of compensation shall be determined by the Controller holding such inquiry as he may deem fit and if the amount so determined is not acceptable to the person to whom the compensation is payable, the question shall be referred for decision to a Tribunal constituted by the Central Government which shall consist of a single member who is, or has been, or is qualified for appointment as a Judge of a High Court and the decision of the Tribunal shall be final."

The purport of this rule, in short, is that it will be a one man tribunal. My amendment is that instead of being a single man tribunal, it should be a three man tribunal. My particular reason for this is that this tribunal will have to review cases where lakhs and lakhs of rupees may be involved and mineral rights ranging over huge areas and other properties may be involved. Therefore, I suggest that instead of a single member tribunal, it should be a three member tribunal. An objection may be that it will become quite expensive. I do not think that that would be a valid objection because these tribunals need be appointed *ad hoc*. They need not be permanent tribunals. Whenever the Government finds that there are four or five cases to be adjudicated upon, these tribunals may be constituted. I think the hon. Minister would kindly accept my amendment.

My third and fourth amendments are in regard to that very rule: to amend rule 10(2)(ii) and to add rule 10(3)(A). The above sub-rule (ii) reads as follows:

> "(ii) no compensation shall be payable in respect of the reduction of the term of the lease or any modification in the amount of royalty;"

There are two things in this. In case the term of the lease is reduced from 99 years to 30 years, no compensation would be paid. The second is, even if the amount of royalty is modified, no compensation will be paid. I know the Constitution was amended last time at the instance of the Minister himself. The new Article 31A (1) (e) says:

> "(e) the extinguishment or modification of any rights accruing by virtue of any agreement, lease or licence for the purpose of searching for, or winning, any mineral or mineral oil, or the premature termination or cancellation of any such agreement, lease or licence....."

The idea is, if the Government modify any of these things, even if compensation is not provided by that particular law, it will not be questioned in a court of law. I do realise that the Minister is within his powers under the provisions of the Constitution not to pay compensation for the reduction of the term. But, I have my grave doubts if he will be within his powers not to pay compensation for modification in the amount of royalty. Therefore, my suggestion is that this sub-rule (ii) should be withdrawn and my amendment should be inserted as (3)A at the end, wherein it is said that in addition to the amount of compensation referred to in sub-rules (2) and (3), there shall in every case be paid a sum determined with reference to the reduction in the term of the lease and any modification in the amount of royalty. The amount of compensation payable in these respects shall be determined by the Controller through negotiation with the parties. I do not want to labour this point. Because, I am sure I have been able to make it clear that even under the amended provision of the Constitution, the Minister will not be within the four corners of the law in not providing for compensation in cases where the amount of royalty is modified. What I fear is, if these rules are amended in the manner in which they are sought to be amended without accepting my amendment, it may be challenged in a court of law and the step that is being taken today may receive a great set-back. I do not think the Government would like to do that. After all, the amount of compensation cannot be questioned in a court of law. In any case, we have provided in the Constitution that no law which provides for compensation and the mode of payment can be questioned in a court of law. It is for the Government to prescribe the amount and the manner of payment. In my opinion, it is not desirable to put one's foot into an amendment like this. I suggest very humbly that the hon. Minister may accept my amendment.

Mr. Chairman: Amendments moved

(i) That at the end of the Resolution the following be added, namely:

"subject to the modification that in sub-rule (6) of rule 6,

after "Mineral Concession Rules" the following be *inserted*:

"including the term for which the lease would have been renewed under these rules."

[Mr. Chairman]

(ii) That at the end of the Resolution the following be added, namely:

"subject to the modification that in sub-rule (1) of rule 10,

in clause (b) *for* "a single member who is, or has been, or is" *substitute*:

"three members who are, or have been, or are."

(iii) That at the end of the Resolution the following be added, namely:

"subject to the modification that,

(1) in sub-rule (2) of rule 10, (i) *omit* "(i)" occuring for the first time;

(ii) *omit* sub-clause (ii).

(2) in sub-rule (3) of rule 10, *omit* "sub-clause .(i) of".

(iv) That at the end of the Resolution the following be added, namely:

"subject to the modification that in rule 10,

after sub-rule (3), *insert*:

'(3A) In addition to the amount of compensation referred to in sub-rules (2) and (3), there shall in every case be paid a sum determined with reference to the reduction in the term of the lease and any modification in the amount of royalty. The amount of compensation payable in these respects shall be determined by the Controller through negotiation with the parties'."

Shri N. C. Chatterjee: I agree with the hon. Minister that our mineral wealth is our national wealth and should be developed on that footing. But, I do share some of the very cogent comments of my hon. friend Shri Bansal. I think that the approach is not quite proper. I do maintain that what you are going to do will be really expropriation of property without any compensation, which means confiscation of property. I know that the Constitution has enlarged the powers of Parliament to make law. As my hon. friend has pointed out, under the new Article 31A(1)

> "Notwithstanding anything contained in article 13, no law providing for—
>
> > (e) the extinguishment or modification of any rights accruing by virtue of any agreement, lease or licence for the purpose of searching for, or winning, any mineral or mineral oil, or the premature termination or cancellation of any such agreement, lease or licence,
>
> shall be deemed to be void on the ground that it is inconsistent with, or takes away or abridges any of the rights conferred by articles 14, 19 or 31."

Parliament may remember and, you, Madam, coming from Bihar, may remember, that this was the result of the judgment in the Bihar Land Reforms Act case where the Maharaja of Darbhanga and Ramgarh won challenging the Bihar Land Reforms Act as *ultra vires* of the Constitution. It was struck down as illegal. Therefore, Parliament had to take some steps for validating these laws and the Constitution was amended. Thereafter, we took some powers. I am not thinking only of the technical aspect. I am saying, even if we have got the power, we must not exercise the giant's power like a giant. We must do it in an equitable manner, in a fair manner. I ought to tell the hon. Minister and the Parliament that the biggest coal field in India is neither the Bengal coal field, nor the Jharia coal field, but the Karanpura coal field which is in the Hazaribagh district. It covers 500 square miles. That was leased out under a prospecting licence for a large number of years to a British firm, Messrs Bird & Co. That lease was challenged by the Maharaja of Ramgarh because the lease was granted by the court of wards when the Maharaja was a disqualified proprietor. The Patna High

Court had struck it down as illegal and in excess of the power of the court of wards. The lease was held to be bad. It came to the Supreme Court. For days the arguments went on whether the decision of the Patna High Court was right or wrong.

5 P.M.

And you will be amazed to know that the Government of Bihar through its counsel stood up and said: "We are anxious that this British firm should continue because of their equipment, because of their resources, because of their technical experience, because of the millions of pounds they have spent in prospecting this coal field. If they are now evicted simply because of some technicality of law, it will be a bad day for Bihar and for the future development of the mining concession of Bihar. The biggest coal field cannot be exploited by the Government because Government has not got the resources needed. The Government of Bihar has got to pay large compensation to the zamindars and proprietors whose zamindaris and tenures have been taken away and they have not got the resources to develop the coal field". Therefore, if it is the intention of the Government to nationalise all mines in India, be straightforward and say so, but do not take this—I do not like to use any strong language—device or any such strategy that you will squeeze them out by this kind of legislation or rule-making power.

I think Shri Bansal's point was good. I do not think article 31A will save this because that article speaks of law. It states:

> "...no law providing for—
>
> .. ..
>
> (e) the extinguishment or modification of any rights accruing by virtue of any agreement, lease or licence for the purpose of searching for, or winning, any mineral or mineral oil...
>
> shall be deemed to be void on the ground that it is inconsistent with, or takes away or abridges any of the rights conferred by article 14, article or article 31:"

This is not a law. This is simply a rule-making power which the Central Government is exercising, but apart from the technical point, even if my hon. friend the Minister is advised that he has got the power, that Parliament is within its rights and that it will be an *intra vires* legislation, even then I will ask him to pause and consider whether it will be right to say that from tomorrow that extensive coal field given to a foreign firm which has successfully utilised it for the development of the interests of Bihar should be thrown out by this means or should be allowed not to continue.

Just look at this rule 4. Is it not a clause of forfeiture? Kindly look at the head note: "Existing leases to be brought into conformity with the Mineral Concession Rules, 1949". Supposing the Maharaja of Darbhanga or the Maharaja of Ramgarh had granted a big area of 200 square miles for 99 or 999 years, what are they going to do now?

> "As soon as may be after the commencement of these rules, the Controller shall by notice served in the manner specified in rule 15 call upon every lessee and the lessor to show cause why the terms and conditions of the existing mining lease should not be brought into conformity with the Minerals Conservation and Development Rules."

Then, look at sub-clause (2).

> "Where the parties or any of them appear before the Controller in pursuance of a notice issued under sub-rule (1), the Controller, after giving the parties or party, as the case may be, a reasonable opportunity of being heard, shall issue an order making such modifications and alterations in the terms and conditions of the existing mining lease as may

[Shri N. C. Chatterjee]

> be necessary for the purpose of bringing it into conformity with the Minerals Conservation and Development Rules."

The Minerals Conservation and Development Rules say that you can only have a coal mining lease for 30 years and only for ten square miles. Therefore, what will happen is that from 100 square miles area you will bring it down to only ten square miles, and you will say: "I am doing it in conformity with the power given to me by the Constitution of India and Minerals Conservation Development Rules". But what are you doing? You are really forfeiting, you are really expropriating and you are taking recourse to this constitutional prerogative for the purpose of denying them any approach to the courts of this country.

Also, I am not saying only British firms will be hit. Indian firms will also be hit. I do not care, let Indian firms be hit, let British firms be hit, let foreign firms be hit, but do not take this power and compel the Controller in every case that he shall bring it down to 30 years and ten square miles. My point is this. Do not say that in every case you shall deprive the company of all property, of all rights, of all concessions, of all terms and conditions excepting those specified in your schedule. This schedule may work out perfectly properly in case of future leases. Then I know I am applying under these concession rules and I shall get only this and no more. Therefore, I plan my lay-out, I raise my capital, I make my commitments, I engage the staff necessary for that. But these people have been developing not thousands but millions of bore-holes and continuously prospecting. People from Germany and England have been brought for the purpose of development of the Karanpura coal field, and millions of pounds have been spent. Now, because of the Mineral Conservation and Development Rules the Controller shall limit the area to ten square miles and shall deprive them of all their property, and they shall be left no property or anything of the kind. I do not think that would be right. Therefore, I am pleading also for less rigidity. Your language is such that the poor Controller will have no option. Kindly look at sub-rule (2) of rule 4. It says the Controller shall after giving notice issue an order making such modifications and alternations in the terms and conditions of the existing mining lease as may be necessary for the purpose of bringing it into conformity with the Minerals Conservation and Development Rules. That means you split up the 300 or 400 square miles of the biggest coal field in India—it is the biggest coal field in the world, not merely in India, not merely in Bihar but in the world. You will have to split it into zones of ten square miles each. Will that be feasible? Will these little companies functioning and operating only in areas of ten square miles have the necessary resources, can raise the necessary capital, provide the necessary staff for the purpose of exploring mineral wealth? You know that prospecting is a difficult operation and requires sustained adventure and engagement, scientifically equipped staff with the necessary apparatus and the necessary knowledge how to co-relate things. There are different areas in Bihar, 12, 12A, 13, 13A, 14A and so on. Especially in this area it was not explored properly.

I am not taking an obstructive attitude. I am appealing to the hon. Minister: "Take power, but take power not in defiance of the Constitution, and take power so that the Controller may take into account the development of the particular field, of the particular mineral or the particular zone by the company or the firm concerned, their equipment, their past history, their contribution to the wealth of the country etc., and then he may make recommendations that in this particular case there should be no departure made. Do not make it compulsory that in every case there shall be a modification, that there shall be an alteration in the terms and conditions of the existing mining lease. I am therefore supporting my friend's suggestion, I am supporting his plea for flexibility. I am appealing that there should be less rigidity. Do not impose dead uniformity. You have got the power to say it shall be only ten square miles and it shall be only for 30 years, but do not in every case impose that. Do not ask the Controller that in every case he shall pass an order, that it shall be split into square mile areas and nothing more. That will arrest all development and that will not be fair.

Those people have been operating for years and years, and whatever progress has been made has been due to their enterprise. And nowadays British firms and companies have been associating of course Indian talent to an extent. I wish all British firms, all foreign firms had gone, but that may not be practical because we have not got the resources. So, we have got to tolerate them for some time. And if we do tolerate them, then let us tolerate them as well as our Indian firms on fair and equitable terms. If you do not want to nationalise and straightaway do it, do not take recourse to these devices or these methods.

With regard to rule 10, my learned friend Shri Bansal has made a comment that there should not be a one-man tribunal. He wants a three-man tribunal. I will make a little modification for the consideration of the hon. Minister. I hope he will accept it. Rule 10(1)(b) reads:

> "if there is no such agreement, the amount of compensation shall be determined by the Controller holding such inquiry as he may deem fit and if the amount so determined is not acceptable to the person to whom the compensation is payable, the question shall be referred for decision to a Tribunal constituted by the Central Government which shall consist of a single member who is, or has been, or is qualified for appointment as a Judge of a High Court and the decision of the Tribunal shall be final."

My friend has said that a one-man tribunal is not desirable, there should be a three-man tribunal. In that case, all the three men need not be High Court Judges *ex*-High Court Judges.

Shri Bansal: Who are capable of being Judges.

Shri N. C. Chatterjee: What I am saying is this. Let one of them, the Chairman, be a High Court Judge, or an *ex*-High Court judge, or an *ex*-Supreme Court judge, but the other two need not be judges. You know that whenever there is a boundary difficulty or a depillaring difficulty, because as you are aware there are crashes sometimes in the Bihar coalfields or the Bengal coalfields, generally we appoint one lawyer as the Judge and associate with him two mineral experts or mining experts. Therefore I am pleading that some such provision should be made here whereby one of them may be a judge or an *ex*-judge, while the other two may be men competent to deal with the matter from a broad objective of view, and having the scientific or expert knowledge of the subject.

Shri Bansal has made one very important comment on rule 10(2)(ii) at page 8. He was saying that this provision was of doubtful constitutional validity. It reads:

> "No compensation shall be payable in respect of the reduction of the term of the lease or any modification in the amount of royalty."

Supposing you have paid the Maharaja of Darbhanga or some proprietor of an estate a sum of Rs. 10 lakhs for getting 99 years' lease, today, the period of the lease will be made only 30 years. Then, you are forfeiting 50 or 60 years of the lease. The Minister wants power by this rule-making process to say that no compensation shall be payable for the forfeiture of the 60 years. I am asking him to con-

[Shri N. C. Chatterjee]

sider whether that will be fair. Will that be just? Suppose, there was nothing at that time and I take it that everything was absolutely above board, and 99 years' lease was granted by some proprietor. Now, would it be right for this Parliament, because it has got the power, to say 'In our legislative wisdom, we shall also be legislative despots' and we say that if the Minister or the tribunal or the controller takes it into his head to scale it down to 30 years from 99 years, then, for the balance of 69 years, no compensation shall be payable?

I have made by comment that it is doubtful. I am not saying anything finally as to whether article 31A of the Constitution contemplates such a law. As a matter of fact, I told you that under article 31A only a law providing for certain modifications is exempt from attack on the ground of repugnancy to the Fundamental Rights enshrined in Part III of our Constitution. I doubt whether this comes within the connotation of law, under article 31A. Assuming I am wrong, and the Minister has got the power, I am pointing out, that it is not fair.

You may remember that I was one of those six standing here, who objected to the introduction of such an article, when the Prime Minister inserted this particular provision. There were other Members who did not take my extreme stand, but they also were doubtful whether this could be done. But the Prime Minister made it prefectly clear on the floor of the House that although this Parliament was taking the power, there was no intention on the part of Government to play the role of a confiscator of property. You may remember that he made it perfectly clear that although the Indian Parliament was taking this power, and although the Indian Government were taking this power, it was not the intention of the Government of India that they would forfeit property for the purpose of forfeiting property, and that even if they were taking it over in the national interest, they would pay reasonable compensation, and only, they were blocking the access to protracted litigations which may hold up national schemes for planning and development. There is some force in that observation. It may be right, or it may be wrong. But Government are pledged to it.

Therefore, what I am submitting is this. Unless there is something fishy about it, unless you find that it is really some kind of fraud or misrepresentation or unconscionable bargain, it will not be fair and proper to say that you will be scaling down the area, say, from 200 square miles to 10 square miles, or the period of lease from two hundred years to thirty years, but you will not pay any compensation. And you are debarring the tribunal also from going into this matter.

I say, when you are having a competent tribunal, with a High Court judge or an *ex*-High Court judge, give him authority to determine, both justly and equitably. Say that he can take into account all factors. It may be that it will be prefectly fair in some cases not to give any compensation, on the ground that the pace of development has been very slow, or that the real intention of the development of the particular zone has not fructified, or that the whole thing has been a slow process. But it may be that in some cases, the persons have done their very best.

So, I am submitting that although you are taking this power, this power should not be exercised in such a manner as to mean expropriation or confiscation, which is against our grain, and which is also against the definite pledge, or if I may say so, assurance given by the Prime Minister that when Parliament is taking this power, there is no intention generally to expropriate property. I remember I have already quoted Justice Holmes's dictum that if you expropriate property, you strike at the very root of democratic government and also of civilised government. The Prime Minister pointed out that there was no desire to strike at the basic principle of that. And he said, we shall pay compensation, but we shall pay only such compensation which will be thought reasonable, and we shall not allow people to agitate over it for years and years.

So, my appeal is threefold. Firstly, there should be less rigidity. Secondly, there should be no forfeiture and no denial of compensation for real expropriation of vested interests. Thirdly, the tribunal as well as the controller should be given suitable as well as the controller should be given suitable latitude, in proper cases, to take into account all factors concerned, including national interests, and including the history and the development of the company or the particular enterprise, and then allow them to make suitable recommendations, and pay the persons concerned just and fair compensation, even if you have got to deprive them of certain things or certain rights which you believe to be extraordinary and not suitable for the proper development of the country.

Shri Ramachandra Reddi (Nellore): I have a few observations on these draft rules. Provision has been made in the rules for the appointment of one or more controllers of mining leases. If it is going to be a mere substitution of these controllers in place of the existing collectors or revenue commissioners, it may not be doing very much good. The qualifications of the controllers have not been prescribed in these rules, but I presume that Government will take necessary care to appoint controllers who have got knowledge of the mining operations and administrative experience. If only people of administrative experience are going to be put in there, it will be very difficult for them to deal with the several complicated things that pertain to mining operations. It is, therefore, very necessary that persons who have got experience or training in this particular respect alone might be put in these positions. It will be better if those persons have got some experience of mining engineering and also administration.

Shri K. D. Malaviya: It the hon. Member referring to controllers or to the tribunals?

Shri Ramachandra Reddi: I am referring to the controllers.

In regard to sub-rules 2 and 3 of rule 4, I presume that where the parties or any of them have to appear before the controller in pursuance of a notice, lawyers representing the parties will not be precluded from appearing.

Shri N. C. Chatterjee: I ought to point out that they cannot be precluded. Take, for instance, a company. A company is a juristic person. Therefore, it has to be represented by somebody, either a lawyer or some other person. So, however much you may not like a lawyer, it is impossible to eliminate him and deny him the right of representation.

Shri Ramachandra Reddi: I do not know what the opinion of Government is. But I would only suggest that the position might be made clear in the rules, before they are finally adopted and published.

With regard to fixation of royalty or increase in the royalty, under sub-rules 8 and 9 of rule 6, I would suggest that some illustrations may be given showing how the royalty is to be calculated, fixed or determined. As it is, it is not very clear as to how the calculation of royalties will be made. As such, it would be good if the Government illustrates the way of calculation of the increase in the royalty.

Then in sub-rule (2) of rule 7, it is stated that the Central Government has been given powers of revision over the decision of the Controller. In this connection, I would suggest that instead of the Central Government Secretariat—a Deputy Secretary or Secretary—determining the matter, it would be wise to have a consultative committee of experts who know something about mining interests and who have got some engineering experience as well as know-

[Shri Ramachandra Reddi]

ledge for tackling financial problems. A consultative committee of that type would be very much needed in coming to correct decisions even by the Central Government. If it is left as it is, the Central Government Secretariat may take the decision, and probably without the requisite knowledge of the actual state of affairs.

Then under sub-rule (2) of rule 10, determination of payment of compensation is described in three or four paragraphs. In this connection, I find that whatever minerals have been won by the previous lessee or the outgoing lessee has not been taken into consideration in the matter of calculation of compensation. If he is to be paid for prospecting and any other expenditure incurred on other operations, then also whatever minerals he has won should be taken into consideration and the cost thereof should be taken into account. Otherwise, this will be, more or less, a one-way traffic.

Then the Controller, under rule 14 is empowered to enter and inspect any mine for the purpose of determining whether, and if so, in what manner an order under these rules modifying or altering the terms and conditions of an existing mining lease relating to such mine may be made under these rules. Here also it requires a good deal of technical knowledge on the part of the Controller to see that justice is done and that the party is not harmed by his ignorance.

Under rule 15(a), provision is made for publication of the notice or order of a general nature or affecting a class of persons in the *Gazette of India*. I would suggest that the same might be published in the State *Gazettes* also so that what is done by Government may have wider publicity.

Then I would agree with both Shri Bansal and Shri N. C. Chatterjee that the one-man tribunal may not be good enough in deciding matters rupees. No doubt, it has been the latest practice of Government to appoint one-man tribunals for fear that it may not be able to get more than one person to do its business. Unfortunately that is a conception which, to my mind, is not very correct. I would, therefore, agree with the view expressed in favour of having more than one person to man the tribunal. Whether it is Judges or experts, it is very desirable that more than one person—at least three people—should be appointed to act as the tribunal.

In this connection, I also endorse the view of Shri N. C. Chatterjee that not only a Judge but also persons who have got technical knowledge and capacity to advise on financial matters should be included in the tribunal.

Shri Keshavaiengar (Bengalore North): I welcome these rules as they are placed before the House. In fact, it was a little long overdue perhaps. Very salutary provisions are made in these rules against the lease of unnecessarily large extent of areas for unduly long periods. In that regard, the rules are perfectly all right.

I am one of those who feel very anxious that whatever we may do, we should not in the least come in the way of any encouragement to the private sector in this field. In fact, the mining industry is a national industry. It is a pioneering industry. There are hundreds of thousands of mine owners who own very small mines. They invest their fortune in that and try to work the mines. I am very anxious that these small mine owners ought to be given every encouragement possible that we can under the rules. If it is a fact that these small mine owners cannot adopt the up-to-date and modern methods of mechanical equipment and things of that kind, and thereby production is failing, I am one of those who feel that every encouragement has to be given to these mine owners by provision of facilities to introduce these improved methods of exploitation of the ores, thereby facilitating increased production of the minerals.

For the present, I learn that some of the rules that we have framed are causing a great hardship to these middle class and small mine owners. I would very much appeal to the Government and to the Minister kindly to see that in the implementation of any of these rules that we have framed, we do not in the least cause any sort of discouragement to these small mine owners and middle class mine owners—the private sector. Let us practise what we preach. We want the private sector to flourish along with the public sector, and it is very necessary that we should afford them every kind of encouragement possible.

I am led to believe that any kind of control causes, if I may be permitted to say so, *gant* to roll. *Gant* in Kannada means 'bags of money'. The moment any control is introduced anywhere, bags of money begin to roll about. I am very anxious that any such unhealthy activities ought not to be permitted under any of these rules.

Shri Kamath (Hoshangabad): When you are in the Chair, Madam, there must be quorum.

Mr. Chairman: The bell is being rung—Now there is quorum.

Shri Bansal: May I know when you are calling upon the hon. Minister to reply?

Shri T. B. Vittal Rao: Tomorrow.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): We have to finish it today.

Shri T. B. Vittal Rao: Two hours have been allotted and we began at 4.30 P.M.

Shri K. D. Malaviya: 4 p.m.

Shri Kamath: The Minister will reply tomorrow.

Mr. Chairman: We started at 4.30 P.M. It is up to the House to decide to finish it today or not. Is it the wish of Members that this should be finished today or it shall be extended to tomorrow?

Shri K. D. Malaviya: Let us finish it today. Most of the arguments relating to these rules have been adduced already by some of the hon. Members who have already spoken.

Dr. Rama Rao (Kakinada): Opponents of the rules have spoken so far.

Shri T. B. Vittal Rao: Madam Chairman, after long 8 years since the Act was passed, we have got these Rules. Whenever we asked in this House when the Rules would be promulgated, the Minister used to say that he was in consultation with the State Governments and the various interests. After all he has brought these Rules.

Those who have spoken before me, some of them especially, have been talking about certain European or British firms. I would only refer here to the Enquiry Report on the Kolar Goldfields. The Minister was there on the Committee, a representative from the Opposition was there on the Committee and trade union leaders were also there on the Committee as also the technical experts. I would only ask them to read that report to know how these foreign firms had worked the Kolar Goldfields.

Not only this. We come to coalfields. There are several instances in which big British firms not only robbed us in the technical sense but also in the literal sense, of our national wealth. To cite an instance, the hon. Minister said that he has restricted it to 10 sq. miles. In terms of area it may look very small but let us go a little deeper into it. Suppose an individual owns 10 sq. miles of coalfields. Then, it has deposits varying from 100,000,000 tons to nearly 300,000,000 or 400,000,000 tons. How much would it be in terms of money? At the present rate obtaining for coal it would mean Rs. 2,000 crores. That is, he would own a property worth that money.

[Shri T. B. Vittal Rao]

Our friend, Shri Keshavaiengar was just now saying that it will hit the small mine owners. It is not going to hit the small mine owners at all, in that way. But, on the other hand, there are big coal companies which have got a monopoly today. There are only 4 coal companies in India whose production accounts for 20 per cent. of the total output in India. These are the Bengal Coal Company which has got Andrew Yule & Co., as its managing agents. Then we have the Equitable and it is owned by Michael and Berry and we have got other companies also. These are the people who are engaged in the coal industry and who have got a monopoly over that industry.

We have to develop our industry especially in the matter of production of coal. We are far behind many countries. Under the Second Five Year Plan we are going to produce only 10 or 15 per cent. of the coal produced either in England or in America. I was thinking that during the life of this Lok Sabha at least we would be able to pass legislation nationalising the mines. It is an urgent need. Today we are paying great costs in working these mines because in the previous years they were worked in such an unplanned way that now when we start working them we have to do it at high cost. During the war years there was no plan; they were simply digging out coal from wherever it was easily available.

There is the Singareni colliery. We have to work it now. When it was being owned by the British Company, Best & Co., they worked on easy seams and left out the difficult ones. In order to work these mines we have to work other mines wherefrom we can get coal at lesser cost. This is the history of the British companies which have been carrying on this industry here.

I can point out so many companies. Recently, we have the case of the Mandalpur colliery where they have worked it in such an unplanned way that today it is threatened with closure. Singaran is only a show that is kept going. Even in Bihar and Bengal the seams have not been worked out properly in a planned way, with the result that one big seam called the Thalthod seam could not be worked now. Even if we can work it, we have to pay heavily for working it.

Regarding compensation, I feel there is lot of scope for giving more than what is due. There is the schedule for giving compensation. For instance, in working a coal mine, some amount is spent for development of other coal mines with a view to open up new areas. They do prospecting and drilling and so on and so forth. But this money which they invest in the new coal mines adjacent to the coal mines they are working is not a fresh investment as such. No fresh capital is invested; they take money out of the revenues earned from working the old mine and they utilise that amount. Therefore they show less profit and pay less income-tax to Government. Thus, there is a lot of scope in these Rules for giving more than what they deserve.

I want to say a few words about Royalty. Somebody had got a property some years ago; about a 100 years or so ago. His descendants or somebody are still getting the royalty, whether it is an iron mine or a coal mine or any other mine. The rate is fixed, and these men sitting somewhere away from the coal mines, in very good atmosphere, somewhere in Calcutta or Bombay still get the royalty. I do not know why they should be paid any royalty. When we work a mine, the company invests some money, the workers produce it and the company pays this to these men sitting elsewhere without doing anything. I do not mind if royalty is being paid to Government.

Then there is the point about the Tribunal. I would like this Tribunal to be assisted by two assessors. One may be a technical expert and the other may be drawn from public men who can assist this Tribunal so that when the cases come before the Tribunal they may be able to give fair compensation to the parties. Otherwise, I am afraid, the Tribunals may give more than what they deserve.

In the case of some companies at least, I have seen their method of working and I can say that they deserve no compensation. On the other hand, they should be penalised for working in such an unplanned way. There are certain mines which have been flooded. If you want to work these mines, you will have to spend lakhs and lakhs of rupees—to extract national wealth. Our aim should be to extract every ton of national wealth that lies hidden underground, whatever may be the cost. Taking advantage of this, these European firms have robbed us and so they do not deserve any compensation.

Mr. Chairman: We have got only up to six o'clock. There are four hon. Members who want to speak. May I know how long the hon. Minister will take?

Shri K. D. Malaviya: I think I will take about 20 minutes or so.

Mr. Chairman: Then, he will speak tomorrow.

Shri K. D. Malaviya: I am entirely in your hands.

Mr. Chairman: Shri Mehta.

श्री बलवन्त सिंह महता (उदयपुर) : यह जो नियम सदन के सामने रखे गये हैं मैं उनका स्वागत करता हूं। यह नियम तो बहुत पहले ही आ जाने चाहियें थे क्योंकि इन नियमों के अभाव में हमारे राष्ट्र के धन को बहुत हानि पहुंची है। अभी हमारे मंत्री महोदय ने बताया कि ९० वर्ष के और कहीं कहीं तो ९९९ वर्ष तक के लीज़ (पट्टे) दे दिये गये हैं। ये लीज सैंकड़ों और हजारों मील के भी दिये गये हैं। मेरा अनुभव है कि जयपुर में एक ही आदमी को ३०,००० मील का लीज़ दिया गया था। जब हमारे मिनरल कन्सेशन रूल (खनिज पदार्थ रियायत नियम) बने तो उनमें यह एरिया १० मील का निश्चत कर दिया गया था लेकिन फिर भी बहुत से लोगों को बड़े बड़े एरिया के लीज़ दिये गये और उनके लिये केन्द्र ने सिफारिश की थी। मैं चाहता हूं कि हम जो भी नियम बनावें उनका कठोरता से पालन किया जाये। मिनरल कन्सेशन रूल्स में १० मील का एरिया निश्चित कर दिया गया था, लेकिन लोगों को उससे बहुत ज्यादा एरिया लीज पर दे दिया गया, जिसका नतीजा यह हुआ कि उन लोगों ने न तो उन खानों का पूरी तरह से उपयोग किया और न औरों को उनका उपयोग करने का मौका दिया। मैं आपको दो एक मिसालें देना चाहता हूं। राजस्थान में दो बड़े आदमियों के पासस बड़े बड़े ठेके ह। एक खेतड़ी में तांबे की खान का ठेका है। अगर भारतवर्ष में कहीं बड़ी मात्रा में तांबा मिल सकता है तो वह खेतड़ी में मिल सकता है। रशियन विशेषज्ञ न भी अपन रिपोर्ट में इस बात का ऐलान किया है। लेकिन वह खान ऐसे आदमी के हाथ में है जो कि न तो उसका पूरी तरह उपयोग करता है और न उसको छोड़ता है ताकि दूसरों को उसमें काम करने का मौका मिले। इस ठेके से राष्ट्र को बड़ी क्षति हो रही है और हमको तांबा विदेशों से मंगाना पड़ता है और उसके लिये बहुत रुपया विदेशों को देना पड़ता है। यह जो नियम बनाये गये हैं वे बहुत जल्दी लागू किये जाने चाहियें और जो लोग खानों का उत्पादन नहीं बढ़ा रहे हैं उनसे खानें ले ली जानी चाहियें।

कुछ ऐसे लोग हैं जिनके पास एरिया तो कम है लेकिन खानें बहुत अच्छी हैं। गजस्थान में सीसे और जस्ते की खानें

[श्री बलवन्त सिंह महता]

हैं, लेकिन वे ऐसी कम्पनी के पास हैं जो गवर्नमेंट की हिदायतों के बावजूद जितना उत्पादन होना चाहिये था उतना नहीं करती हैं। आज हमारे देश में जस्ते और सीसे की बहुत मांग है, और हमको करोड़ों रुपया जस्ता और सीसा विदेशों से खरीदने में खर्च करना पड़ता है। रशियन एक्सपर्ट ने अपनी रिपोर्ट में कहा है कि ये एसी खानें हैं कि जिनसे भारतवर्ष की जस्ते और सीसे की सारी जरूरतें पूरी हो सकती हैं। मैं समझता हूं कि जो लोग पूरा उत्पादन नहीं करते उनकी लीजेज़ रिवाइज़ (पुनरीक्षित) कर देनी चाहिये या उनसे खानें वापस ले लेनी चाहियें जो लोग खानों को ठीक प्रकार से नहीं चलाते हैं उनसे भी खानें वापस ले ली जानी चाहियें। कुछ लोग ऐसे हैं जिन्होंने खानों में से अच्छा अच्छा माल निकाल लिया है और हलका माल छोड़ दिया है, और खान को छोड़ते समय उसके खम्भों को गिरा कर माल निकाल लिया है, जिसका नतीजा यह हुआ है कि दूसरे लोग उन खानों में काम नहीं कर सकते। ऐसे लोगों को दूसरी खानों के ठेके फिर से दे दिये जाते हैं। मैं समझता हूं कि इस प्रकार राष्ट्र के धन का बहुत बड़ा दुरुपयोग हो रहा है। इसलिये जो लोग उत्पादन नहीं बढ़ा रहे हैं उनकी लीजेज को रिवाइज कर देना चाहिये या उनसे खानें वापस ले लेनी चाहिये और उनको कोई मुआवज़ा नहीं दिया जाना चाहिये, या उनका एरिया कम कर दिया जाना चाहिये।

हमारे रेड्डी साहब ने जो कहा कि जो कंट्रोलर रखा जाये वह अनुभवी आदमी होना चाहिये, इस से मैं भी सहमत हूं, क्यों कि जो अनुभ्वी आदमी होगा वही अच्छा काम कर सकेगा।

बहुत से लोग जो कि खानें चला रहे हैं वे मजदूरों का शोषण करते हैं? कुछ लोग खानों को अनसाइंटिफिक (अवैज्ञानिक) तरीके से चलाते हैं जिस से कि अक्सर दुर्घटनायें होती रहती हैं। मेरा सुझाव है कि जो लोग अनसाइंटिफिक तरीके से खानों को एक्सप्लाइट करते हैं और जो उत्पादन नहीं बढ़ाते और इस प्रकार राष्ट्र को क्षति पहुंचा रहे हैं, उनकी खानें ले ली जानी चाहियें और उनको कोई मुआवजा नहीं दिया जाना चाहिये।

Shri Tek Chand (Ambala-Simla): I wish to take this opportunity of inviting the pointed attention of the hon. Minister to rule 4(2), read with rule 12. I fear that rule 4(2) is unhappily worded and it requires certain modification which is of an imperative character. Rule 4(2) provides:

> "Where the parties or any of them appear before the Controller in pursuance of a notice issued under sub-rule (1), the Controller, after giving the parties or party, as the case may be, a reasonable opportunity of being heard, shall issue an order....."

Now the words are confined to where the parties or any of them appear. Parties, as hon. Shri Chatterjee pointed out, may be Corporations; parties may, as I indicate, be minors for the time being; parties may be illiterate persons or illiterate widows. The question therefore arises that if such a party has a dispute which is to be adjudicated by the Controller, is it open to that party to be represented through a duly authorised attorney? Whether he happens to be a legal practitioner or anybody else conversant with the rules, facts and other necessary matters? The rule as it proceeds seems to preclude the party from appearance through an agent. It seems to contemplate personal appearance. In the case of a Corporation, it is impossible; in the case of a minor, it is equally futile; and in the case of an illiterate person, it is also non-productive of any result. Kindly read rule 12 with this

rule 4(2). Rule 12 is a very technical rule wherein you have imported certain provisions of the Code of Civil Procedure to be adopted by the Tribunal when adjudicating upon the dispute. For instance, in rule 12(b), the words occur "requiring the discovery and production of any documents". These are technical expressions. For the purpose of demanding the discovery and production, the parties must be conversant with the technical rules of the Code of Civil Procedure. In rule 12(d), for requisitioning of any public records from any court or office, a certain technical language is necessary, and a controversy may arise as to whether a particular record summoned happens to be a public record or not. Last of all, if the hon. Minister will look at rule 12(e), you give to the party an opportunity to get witnesses examined through issue of commissions. I cannot conceive of a right to examine a witness without the assistance of a counsel so that the opposite side may be in a position to cross-examine the witness. How can a Corporation cross-examine a witness? How can a child cross-examine a witness? How can an illiterate person cross-examine a witness? In the observance of the rules certain technicalities of procedure are to be used, but on the other hand persons conversant with the technicalities, who can make proper use of them, seem to be, by the very language, precluded.

Then, I wish to invite the pointed attention of the hon. Minister to rule 10. Under rule 10, you are going to have a single member tribunal. There should be the right of appeal and you can condition the right of appeal by putting a term as to the value 'where the subject matter involved exceeds Rs. 10,000' or whatever may be the reasonable figure. You should confer upon the unsuccessful party the right of appeal to a higher tribunal. If you think that the right of appeal should not be given for reasons best known to you —they are not comprehensible to me —you should at least have a three member tribunal. Please remember that the judgment of a man is fallible. The judgment of one member tribunal may be fallible and finality is being attached to that judgment. The result is that that judgment becomes non-reviewable. The error once perpetrated becomes perpetuated. Therefore, it will be extremely desirable to have an appellate tribunal. Given to me, I would prefer a single member tribunal with an appellate tribunal but, if for some reason, you would not have an appellate tribunal, you should have a three member tribunal.

Then, kindly look at the qualifications of the single member tribunal. Your choice may fall upon the judge of a High Court, an ex-Judge of a High Court or a person qualified for appointment as a judge. That is a tricky clause. Any lawyer with ten years' practice is a person qualified for appointment as a judge. He may be *minus* law or *minus* practice. That being the position, it will be extremely unsafe to leave such a valuable subject matter of dispute to the arbitration of a single member, howsoever competent he may be. He may be fallible. These are matters which deserve closer examination and scrutiny.

Dr. Rama Rao: These rules have been brought forward, though late, none too early. In the first place, I am not surprised at the remarks and speeches made by my hon. friends, Shri Bansal, Shri Chatterjee and Shri Ramachandra Reddi and others. They all want to speak on behalf of vested interests. I am not surprised that they criticise the rule in so many ways. On the other hand, I am surprised that the rules are so liberal.

I want to bring to your notice subrule (6) or rule (5) on page 3. It reads:

> "Where an existing mining lease has run for the maximum term prescribed under the Mineral Concession Rules, including the term for which it could have been renewed under these Rules, the Controller shall not propose the

[Dr. Rama Rao]

termination of the lease earlier than the expiry of fifteen years from the commencement of these rules."

I do not understand why, on earth, even after the expiry of the term of the lease, the Controller should be restricted from cancelling the lease for another fifteen years. Sub-rule (6) also gives some such concession. Where the maximum term prescribed under the Mineral Concession Rules would allow the lessee a period of less than fifteen years, the Controller cannot cancel it but must extend it for fifteen years from the commencement of these rules.

However, the most important point is how these rules are enforced by the Government. I want the Government to watch very carefully how the Controller enforces these rules. We are committed to a socialist pattern of society. How can that be established without taking over the mineral wealth of the country? I am in favour of nationalising all the mines immediately. But that it not the present question.

It has been pointed out by some speakers that the Government has not the capacity to work these mines. I question that statement. Is it that the Government has not got the capacity and the technical know-how? Many of our friends have said that the Government has not got the technical capacity and the requisite resources. If that is so, is it that only the private capitalists have the requisite resources, capacity and the technical know-how? These people want to sabotage. They do not want the nationalisation of this mineral wealth nor do they want the establishment of a socialist pattern of society in the near future. There is the instance of the Assam Oil Company. I want the Government to take up courage in both hands. It has got the resources and the technical know-how. If these are not available in the country, they are available in plenty from friendly countries. The hon. Minister knows it only too well and so, there is no reason why we should not nationalise these mines as early as possible.

Apart from that, these lease rules are over-liberal and so, they must be enforced strictly with the socialist pattern of society in the background. You remember the findings of the enquiry commission instituted at Ahmedabad and Parasia mines; the finding was that the disasters were due to the negligence of the mine-owners. In many cases, they have been neglecting these and this criminal neglect by the mine-owners should be taken serious notice of. So, there is no reason why the Government should not take over all these things.

Take for instance the Kolar Mines. They have looted all the gold. When we want to nationalise, they want huge and fantastic compensation. The Mysore Government wanted to compensate them at market value but the Central Government went out of its way to advise the Mysore Government to concede to the demand of a huge and fantastic compensation although the companies want still more. Therefore, there is no limit to this.

All that I want is that the Government should be very strict in these matters and see that these rules are effectively and strictly enforced. Regarding rule 4—bringing the terms and conditions of the existing mining lease within the framework of the present rules—there is this expression 'as soon as may be'. I have no objection to the wording but I expect the Government to see that these leases are brought within the rules within a period of six months or one year. 'As soon as may be' is a very loose term and for the purpose of phraseology it may be all right. But, the Government must have a time-limit, say six months or one year, and it should see that these rules are enforced strictly.

Mr. Chairman: The House will now take up other business.

RELEASE OF A MEMBER

Mr. Chairman: I have to inform the House that the following telegram dated the 29th August, 1956, has been received from the Judicial Magistrate, Gorakhpur:

> "I have the honour to inform you that Shri Shibbanlal Saksena, Member, Lok Sabha who was arrested on the 19th August, 1956 and admitted to District Jail, Gorakhpur, on the same day, has been released from the District Jail, Gorakhpur today on bail under orders of the District and Sessions Judge, Gorakhpur."

COAL MINES PROVIDENT FUND

6 P.M.

Shri T. B. Vittal Rao (Khammam): Madam Chairman, I thank you for permitting me to raise this half-an-hour discussion arising out of the Deputy Minister's answer to Starred Question No. 229 on 25th July, 1956. To my supplementary question asking why the provisions of the Coal Mines Provident Fund should not be brought on a par with the provisions of the Employees' Provident Fund in the matter of computing length of service, the hon. Deputy Minister replied giving the qualifying period required for becoming a member of the Fund.

The rate of forfeiture of the employer's contribution depends upon the length of service a worker puts in. In the Employees Provident Fund Act, 1952, which came into force much later than the Coal Mines Provident Fund Act—this came 5 years before the Employees' Provident Act—the provisions relating to the computation of length of service is different. Under the Employees' Provident Fund Act, service is computed from the date a man joins service, whereas under the Coal Mines Provident Fund Act the service is computed from the date a worker becomes a member, with the result that he loses much of the employer's contribution.

In these days, when one is not getting even a fair wage, not to talk of a living wage, a worker cannot make any provision for rainy days or evil days. He has to depend on the provident fund amount that he gets. Even the provident fund amount that he gets is very meagre. I may just illustrate it with an example. During the year 1954-55, from the annual report of the working of the Coal Mines Provident Fund Act I see that as many as 8984 employees left the service and they got in all Rs. 7,50,000, that is, on an average Rs. 84 each. One can imagine how with Rs. 84 a worker can live in his old age or, if any calamity befalls, how his family can live. That is the position.

Today we have got 3,40,000 miners raising an output of 38 million tons of coal valued at Rs. 70 crores if computed at the present cost price, which has been enhanced since July. For raising or extracting this much coal, what is the treatment that these people are going to get? What is the social security provision that he is expecting? It is only this Provident Fund and nothing else. For a man having put in 30 years of service, when he comes out, he has only a few years of membership in the Provident Fund and that is calculated from 1947 when the Provident Fund Act was brought into force. The period of service that he has put in before enforcement of this Act is not at all computed whereby he is deprived to a very great extent the employer's contribution. If there is no forfeiture of the employer's contribution, he would get a little more; that is all. Therefore, I have been asking the Government for liberalising these rules. Why have they not considered this question? Not only is it an invidious discrimination, but you have not been paying the coal-miner his due. I would not have have troubled this House or taken the valuable time of this House whose programme is very crowded, but for the fact that I have no other forum.

In this connection, I might point out that on the Board of Trustees which administers this Fund, there is no

[Shri T. B. Vittal Rao]

representation for the All-India Trade Union Congress. The figures given to us by the Minister during the last budget session are these: INTUC—87,000 members; All-India Trade Union Congress—32,000; Hind Mazdoor Sabha—37,000. Now, for a membership of 87,000, the INTUC gets four representatives. For a membership of 37,000, the Hind Mazdoor Sabha gets one representative. For a membership of 32,000, the All-India Trade Union Congress has not been given any representation. I have drawn the pointed attention of the Minister to this discrimination. I have asked him why it is so. Then he sent me a reply stating that "I have nominated six members and the sixth one is meant for unorganised labour." Now, for this unorganised labour, who is the representative? The representative who is nominated to represent the unorganised labour is an agent of the Bengal Coal Company—a British-owned coal company. What is the function of the agent in a colliery? It is only close to that of a General Manager. In other words, a representative of the management is on the Board of Trustees on behalf of unorganised labour; he is not a recognised trade union leader; he is not a responsible trade union leader; I do not mind if the representative was from the Hind Mazdoor Sabaha or from the INTUC. But he is not from any important organisation. So, to represent an unorganised labour, they have nominated a member from the management to look after unorganised labour.

Shri Nambiar (Mayuram): A wolf to look after the lamb.

Shri T. B. Vittal Rao: Look at this paradox! Organised labour goes without representation and unorganised labour is represented by the management! This is how the Ministry of Labour has been functioning. This clearly indicates the direction in which the Labour Ministry is moving. It is not in the interests of the workers; it is not in the interests of the workers that they are moving. It is in the interests of the management and the employers that they are moving.

Recently, there was the Coal Tribunal Award. The Government have increased the price of coal since then. Rs. 12 crores have been put into the hands of the employers but they are not implementing the award properly. When we brought it to the notice of the Industrial Relations Officer and his machinery, that machinery looks on helplessly. They all say: "We have no power. We cannot do anything".

The Deputy Minister of Labour (Shri Abid Ali): Who said, "We have no powers"?

Shri T. B. Vittal Rao: The Central Conciliation Officer, Dhanbad, and the Regional Labour Commissioner, Dhanbad.

Shri Abid Ali: Did they say that they do not have powers?

Shri T. B. Vittal Rao: Yes.

Shri Abid Ali: I shall be grateful to the hon. Member if he gives me some details, because I want to take action, in this matter. He may give it now.

Shri T. B. Vittal Rao: Yes; here and now. I am telling you this. Take it. At the meeting on the 15th July, at Dhanbad,—a meeting convened by the Chief Labour Commissioner—this happened. The employees walked out. The Chief Labour Commissioner said, "I cannot help it. I have no power".

Shri Abid Ali: He had no powers to arrest them if they did not want to participate.

Shri T. B. Vittal Rao: You may make enquiries and get the details.

Shri Abid Ali: Yes.

Shri Nambiar: It is very good that the Deputy Minister has promised action. I welcome that move.

Shri Kamath (Hoshangabad): It is a welcome spirit and attitude; it is the right spirit.

Shri T. B. Vittal Rao: From 1951 to 1956, the productivity of labour has increased according to the statistics.

Shri Abid Ali: I do not want to take any objection, but I wanted to know what particular thing the hon. Member has got to say with regard to the item placed on the agenda. He is talking about trade unions, not arresting somebody, productivity and so on. Let us be concerned with the item on the agenda. I am not afraid of his mentioning anything, but he should be somewhere near the relevant point.

Shri T. B. Vittal Rao: I would only point out respectfully that our Deputy Labour Minister has not understood the issue before us.

Shri Abid Ali: I want to understand it.

Shri T. B. Vittal Rao: You refuse to understand, because your reply also is like that. When I ask one thing you give another thing. When I ask for the computing of the length of service, you give me the qualifying period. What I state has got a relation to what I am driving at. I say that productivity has increased from 1951 to 1956, but who has got the benefits? Has the coal miner got his share of the increase in productivity and the increase in the profits? He remains where he was. I brought to the notice of the hon. Minister last time the computing of dearness allowance for the purpose of contribution to the fund; but, it took him three years to do it. The other employees got it in 1952, but the miner got it only in 1955. Even then, the price of coal has been increased by 3 annas per ton. We must do something very quickly to enthuse these coal miners to fulfil the target of 60 million tons during the second Plan period.

I demand a notification to be issued forthwith that for computing the length of service, the date on which the employee entered into service should be taken and not the date from which he joined the membership of the fund, so that he may be benefited to some extent. Through this discussion what I seek is only this modest measure of social justice to the coal miners, who have been having a sub-human existence and to provide a human way of life to those who perform the most arduous and hazardous duties. I also demand that the rate of contribution should be raised from 6¼ per cent to 8⅓ per cent.

Shri Nambiar: May I ask some questions?

Mr. Chairman: Questions are allowed; but let me see. Mr. Gopalan and Mr R. N. Reddi are both absent.

Shri Nambiar: I have also given my name.

Mr. Chairman: These are the two names I find. How long will the hon. Minister take for his reply?

Shri Abid Ali: 10 to 12 minutes.

Shri Nambiar: May I know at what stage is the proposal to enact a comprehensive social security legislation for providing a pension-*cum*-gratuity scheme for coal miners along with other workers in this country? I also want to know why there is delay in extending this Provident Fund Act to miners other than the coal miners, such as gold, iron and manganese miners? These are my questions.

Shri Abid Ali: The reason why I intervened when the hon. Member was speaking was to avoid the complaint which he made. I wanted to understand what his point was to enable me to try to satisfy him. But, he was not kind enough to explain exactly what his objection was, because there is nothing in the point for which this discussion has been asked for. He has mentioned points which are not at all relevant to the subject-matter placed on the agenda. The points which he has mentioned, I have taken note of and I will explain. But, these points are besides the agenda, I submit.

No. 1. The A.I.T.U.C. has not been represented on the Board of Trustees. It is correct. But, I am not to be blamed for this. Even for the future,

[Shri Abid Ali]

I take this opportunity to request the hon. Member to tell his organisation to submit return of membership and affiliation of their unions, which they have not done for the period ended 31st March, 1956 up to this date. They were asked to submit it and the date has already passed. They have been told that if they do not submit this return, within the specified period, this organisation will not be taken into consideration for the purpose of representation on the committee, national and international. They do not submit the returns. We are kept in the dark.

Shri T. B. Vittal Rao: This is for 1955. This was recently. I am talking about 1955. Let him not speak of 1956. Then, we submitted far in advance, even before the I.N.T.U.C.

Shri Abid Ali: In one previous year also, there was the same difficulty. They did not submit returns. If they do not submit the return, how can they expect us to select persons representing the organisation which he has mentioned on this committee? I shall submit, for the future also,—he will stand up again and again and say that his organisation has not been represented—it shall not be represented, if they do not submit the return of membership. We go with the belief that they have no following in the country, and they have no affiliated unions. He should take note of this.

Shri T. B. Vittal Rao: These were given in 1954 and 1955.

Shri Abid Ali: That was subsequent. He is confusing the issue.

He has mentioned Rs. 12 crores. That is correct. Coal prices have been increased. But, the workers, according to the award of the tribunal, have got about Rs. 1 crore a month as additional emoluments. Coal prices have been regulated by the Government after taking into consideration the cost of production and other relevant factors. When this additional burden was put on the industry, naturally the Government had to take into consideration to what extent this additional burden could be borne by the industry. We do not want to close the mines. We want the mines to work and work properly. That portion which the industry could not bear has to be transferred to the consumers, because the workers have got the increase. They must get the increase as the award directs. Therefore, the price has been increased. Why should there be any complaint? It has been paid to the employers: through them it goes to the workers.

Then, he referred to the meeting of the 15th July, 1956. I say, this is of no use. Sometimes, hon. Members make speeches here thinking that they are just addressing party workers. They should appreciate that now, more than four years after they have been in Parliament, whatever they say here should have some sense of responsibility and somewhere near reality.

Shri Kamath: Mind what you do, what the Congress party does.

Shri Abid Ali: I know the facts sufficiently.

Shri T. B. Vittal Rao: As if we do not know.

Shri Abid Ali: Even if a Member walks away from the Parliament, nobody can stop him. They had walked......

Shri Kamath: They have made it a Congress House, not the Parliament.

Shri Abid Ali: They have walked away from the Congress House also. I cannot stop them. Except from prison or from other lawful custody anybody can walk away and nobody can stop him. Therefore, if a meeting has been convened by the Chief Labour Commissioner and some persons walk away, they can walk away. We are not dictators. Our Chief Labour Commissioner is not such a powerful person who can arrest the man and say, sit here. Therefore, to say that they are helpless, they are not able to do anything, I submit are far from facts.

Shri Nambiar: What is exactly the point?

Shri Abid Ali: Even before the award became enforceable, the Chief Commissioner prepared a scheme to increase the number of officers. Because, at present, the jurisdiction of an officer is so big that with the increased responsibility which the award has put on their shoulders it would not have been possible for them to discharge it properly. Therefore, the number of officers has been increased. They are very much in contact with the workers, but the difficulty is that the hon. Member himself is not in touch with the workers and certainly not in the Jharia and Raniganj coal fields. Therefore he is saying all this. Had he been aware of what is happening—and certainly he is mis-informed —he would not make such a statement.

Shri T. B. Vittal Rao: I was, only a week ago, in Jharia.

Shri Abid Ali: Jharia is so vast that even if a person is there for a month he cannot be seized of the situation as it exists there. Therefore, there is nothing of the kind that the hon. Member has mentioned. The conciliation machinery is sufficiently alive and effective and the workers there are satisfied to the extent that the...... (*interruption.*)

What is the use of this interruption? If the hon. Member wants to say anything, let him stand up and finish his interruption or speech. This will not help, this will not disturb me, this will not change the position. The position remains as it is. Therefore, I would request the hon. Members to behave with a little more sense of responsibility as M.Ps. Of course, a little interruption here and there would be permitted, but not every second.

Shri K. K. Basu (Diamond Harbour): It is not for you to decide. It is for the Chair.

Shri Velayudhan (Quilon *cum*, Mavelikkara—Reserved—Sch. Castes): The Minister also interrupted when the Member spoke.

Shri Nambiar: The request on our side was that the conciliation machinery had not sufficient power, and the hon. Member cited an instance wherein the employer walked away. Your conciliation machinery is hopeless. We want some more powers for it, some more direction to be given. That is the point. He is not meeting that point. He goes on saying something else.

Shri Abid Ali: I have met this point at the time of the discussion on the Industrial Disputes (Amendment) Bill which was very recently discussed here. This has been discussed sufficiently in detail. What is the use of again repeating the argument? The hon. Member knows that it would not be possible for me or for anybody to satisfy a person who wants to remain unreasonable. After all, you can satisfy reasonably-minded persons. Therefore, about their contention of no power, even from a court a person can walk away.

Certainly our industrial relations machinery is effective, and as I was submitting the workers there are perfectly satisfied with the way this machinery is discharging its obligations.

About retirement, I do not know where the hon. Member has difficulty. The Employees' Provident Fund Scheme was introduced in 1952. The scheme that is under discussion was introduced in 1948. Those who are retiring in less than three years, or in less than five years or ten years are all covered according to the notification. Only the last item of 15 years remains. They also will be covered within a short time, as soon as the scheme becomes 15 years old.

I submit there is a difference between the general scheme and the Coal

[Shri Abid Ali]

Mines Provident Fund Scheme. Under the general scheme a worker who has put in one year's service is entitled to join, whereas the Coal Mines Provident Fund Scheme can be joined by a worker who has put in a service of 54 days, in the case of those working underground, and 66 days in the case of others. And they are at liberty to change their employer, whereas the other scheme says the person must have been in the employ of the same employer to get these benefits for pre-act period. In the Coal Mines Provident Fund Scheme nothing of that kind is mentioned. He may be with a different employer, still he remains qualified to remain a member of the scheme. That is the difference, and it is a big difference. There it is one year and here it is 54 days. There it is the 'same employer', but here, it is general and the worker can go to any coal-field and still he can continue to be a member of the Coal Mines Provident Fund Scheme. The hon. Member should appreciate this big difference in favour of the workers.

Shri T. B. Vittal Rao: I said that myself.

Shri Abid Ali: Another point I would submit is that there are trustees for administering this scheme, and whatever we do is on the basis of their advice. The change that we have promulgated was accepted by them unanimously, and their advice was accepted *in toto*. This point which the hon. Member has mentioned just now was never brought before the board of trustees for discussion at any time. Even if I wish to make the change suggested by the hon. Member, I cannot do it; I shall have to consult them. The pros and cons have got to be considered as to the extent to which it will be beneficial to the workers. Not only in the case of this change, but in the case of any change for the matter of that, the trustees have to be consulted. But in this case, they have not been consulted on the point that the hon. Member has suggested. If they take up this item and they think it is necessary in the interests of the workers, they can pass a resolution to that effect; nobody can come in their way.

There was one point which the hon. Member mentioned about some assistant manager. That is true.

Shri T. B. Vittal Rao: Not assistant manager, but agent.

Shri Abid Ali: He is a person next below the manager. That is what the hon. Member himself has stated.

Shri T. B. Vittal Rao: He is next below the general manager.

Shri Abid Ali: Let him be next below the general manager or the super-general-manager. But the fact remains that in this scheme, general managers are also members.

Shri T. B. Vittal Rao: Why?

Shri Abid Ali: Because they are employees. So far as the Act is concerned, it recognises this category also as employees, and, therefore, they are entitled to join the fund; they are entitled to become members of the fund, and, therefore, a representation has been given to them, and I submit, very rightly too.

Shri T. B. Vittal Rao: May I make one submission?.........

Shri Abid Ali: It is nearing 6-30 P.M. We should conclude now....

Mr. Chairman: The Minister is not giving way.

Shri T. B. Vittal Rao: That means that again I shall have to write to you for another discussion. The Minister is misguiding the House.

Shri Abid Ali: The question would have arisen if this resolution had been passed there by a majority or the suggestion which the hon. Member has made had been defeated by a majority. I am submitting that the proposals which we have accepted have been passed unanimously. Therefore, the question of somebody being a general manager or a super-general-manager does not arise. The labour representatives also were there, and they were a party to the resolution passed unanimously.

In regard to unorganised workers also, representation has been provided for in the Act. They also should have representation on the board of trustees.

Dr. Rama Rao: Who represents the unorganised labour?

Shri Abid Ali: It will be appreciated that there is nothing done which is not permitted by the Act. We have done all that has been unanimously suggested by the trustees; that has been accepted by us. And the point which has been submitted by the hon. Member did not even form part of the question. When he asked me the supplementary, I gave a reply which I thought was proper. It may not have satisfied the hon. Member. But I cannot help it.

Shri T. B. Vittal Rao: It did not satisfy the Speaker also, who has admitted this discussion.

Shri Abid Ali: That is what the hon. Member says. The Speaker is not here. Otherwise, I am sure he would not have concurred with the remark which the hon. Member has made.

Shri Velayudhan: Is it not an aspersion on the Chair?

Shri Abid Ali: It is the Speaker who has admitted the resolution and not the chairman.

Shri Velayudhan: Is it not an aspersion that if the Speaker were here, he would have concurred, and because you are here, you are not doing so?

Mr. Chairman: Both these statements are personal statements.

Shri Abid Ali: With these words, I submit that there is no case for any grievance. Certainly the workers concerned have no grievance, and they are very much satisfied and quite happy with the way we are working, and the hon. Member also, in his heart of hearts, is convinced about it.

Shri T. B. Vittal Rao: I would draw the attention of the Minister to the provision in the Coal Mines Provident Fund Scheme......

Chaudhuri Muhammed Shaffee (Jammu and Kashmir): It is already 6-30 P.M.

Shri T. B. Vittal Rao: ....relating to the representation in the board of trustees for the employers and employees.

Mr. Chairman: What is the fact of the matter?

Shri T. B. Vittal Rao: He said that there must be representation given to general managers. I do not mind if he gives representation to general managers from the employers' quota.

Shri Abid Ali: Here they are employees.

Shri T. B. Vittal Rao: Here in section 3(d)(ii) it is said:

> "one shall represent the employees outside the organisations".

So the agent is being put there say, the agent of the Bengal Coal Company. Does he represent unorganised labour? This is the way he is trying to mislead the House. He is ignorant of the Act. He must read it again.

Shri Abid Ali: I may submit that the hon. Member himself is confused with regard to the requirements of the Act and of the Fund. As I have submitted, so far as the local coal miners are concerned, they are very much away from the hon. Member. So what is the use of bringing in things about the A B C of which he does not know? (*Interruption*).

Shri Nambiar: My question was not answered.

Mr. Chairman: These are side issues not directly related to the subject.

Shri Nambiar: No, Sir.

Mr. Chairman: Anyhow, if he does not reply, I have no control over him.

Shrimati Renu Chakravartty (Basirhat): He cannot reply; that is the trouble.

Mr. Chairman: It is his judgment to reply or not to reply to any particular question. How can I force him to reply?

The House now stands adjourned till 11 a.m. tomorrow.

6-32 P.M.

The Lok Sabha then adjourned till Eleven of the Clock on Friday, the 31st August 1956.

DAILY DIGEST

[*Thursday*, 30*th* *August*, 1956]

COLUMNS

PAPERS LAID ON THE TABLE . . . . . 4865—66

The following papers were laid on the Table—

(*i*) Notification No. 7-CA(II)/55 dated the 26th April, 1956 making further amendments to the Air Corporations Rules; and

(*ii*) the Life Insurance Corporation Rules.

(*iii*) Statement showing membership of Life Insurance Corporation and its zonal and divisional offices.

STATEMENT *RE* NATIONALISATION OF INSURANCE . . . . 4866—76

The Minister of Revenue and Civil Expenditure (Shri M. C. Shah) made a statement regarding progress made *re.* nationalisation of insurance.

MESSAGES FROM RAJYA SABHA. . . . . 4877—78

Secretary reported the following messages from Rajya Sabha :

(*i*) That at its sitting held on the 28th August, 1956, Rajya Sabha had agreed without any amendment to the Bihar and West Bengal (Transfer of Territories) Bill, passed by Lok Sabha on the 17th August, 1956.

(*ii*) That at its sitting held on the 28th August, 1952, Rajya Sabha had concurred in the motion for modificaton of the Displaced Persons (Compensation and Rehabilitation) Rules, adopted by Lok Sabha on the 22nd August, 1956.

BILLS PASSED. . 4878—4901, 4901—75

(*i*) Clause-by-clause consideration of the Newspaper (Price and Page) Bill, as passed by Rajya Sabha, was taken up. Consideration was concluded and the Bill was passed . . 4878—4901

(*ii*) Further consideration of the State Financial Corporations (Amendment) Bill was taken up. Motion to consider was adopted. Consideration of the clauses was concluded and the Bill, as amended, was passed. 4901—75

COLUMNS

RESOLUTION UNDER DISCUSSION. . . . . 4975—5012

The Minister of Natural Resources (Shri K. D. Malaviya) moved the resolution *re.* Draft Mining Leases (Modification of terms) Rules. The discussion was not concluded.

RELEASE OF A MEMBER . 5013

The Chairman informed Lok Sabha that a telegram dated the 29th August, 1956 had been received from the Judicial Magistrate, Gorakhpur intimation that Shri Shibbanlal Saksena, Member, Lok Sabha, was released on the 29th August on bail under orders of the District and Sessions Judge, Gorakhpur.

HALF AN HOUR DISCUSSION . . . . . 5013—28

Shri T. B. Vittal Rao raised a half-an-hour discussion on points arising out of answer given on the 25th July, 1956 to Starred Question No. 229 regarding Coal Mines' Provident Fund. The Deputy Minister of Labour (Shri Abid Ali) replied to the debate.

AGENDA FOR FRIDAY, 31st AUGUST, 1956

Further discussion on Resolution *re.* Draft Mining Leases (Modification of Terms)Rules discussion on Resolution *re.* President's Proclamation *re.* Travancore-Cochin and Private Members' Resolutions.